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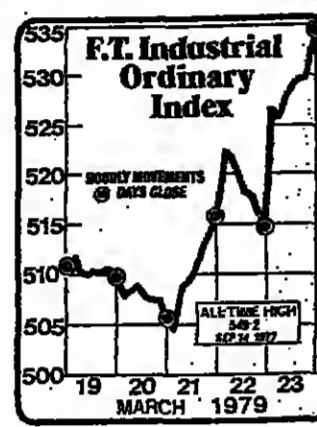
FINANCIAL TIMES

PUBLISHED IN LONDON AND FRANKFURT
No. 27,823 Saturday March 24 1979 ***15p

Wall Street now?
Three of our investment Directors have just returned from a visit to the U.S. For their report and PIMS reports covering the U.S.A., U.K. and Gilts write to:
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NEWS SUMMARY

Business
Copper continues to rise; £ firmer
EQUITIES responded sharply to political considerations and the FT ordinary share index rose 20 points to 534.6 its biggest single-day advance since July 1975. The three main



possible link between killings
Dutch police officers in Brussels in visible links between the assassination of Sir Richard Sykes, British Ambassador to The Hague and a Belgian banker on Thursday.
A banker lived near to a British diplomat attached to the NATO delegation.
The assassination of Sir Richard has been reported by a tele-caller who warned that a campaign was being organised in Brussels to assassinate British and American officials in the city.

rioters
Police used tear gas to disperse a group of about 70,000 young people who gathered in Paris to protest against the steel industry.
The rioters were reminiscent of the 1968 student riots, a group of 100 young people broke windows and built a barricade against advancing police outside the Paris House, Back Page

guilty
The former chairman of Walker Securities, has been found guilty of breaching the Companies Act in 1973 and by three High Court judges overturning a magistrates' decision of 1977.

pledge
The British Airways plans to raise fares on domestic trunk routes were rejected by the Civil Aviation Authority, which told the airline to raise efficiency and quality of its services instead. Back Page

istan poll
The new Pakistan government will take place on March 17, promised General Haq, the country's miller. The Supreme Court is to announce today its decision on the fate of Mr. Zia. Page 2

row
The gaming group, suspended the issue of adequate tickets to the Make Happy charity following an argument over the group's financial position.

woos PLO
President Carter says the U.S. will immediately begin working with the Palestine Liberation Organisation if it agrees to a peace treaty with Israel.

son protest
Prisoners, including four men, staged a protest on the roof of top security Park Jail to complain about the conditions in the prison in Northern Ireland.

ster call
Major opposition parties in Africa have called on Vorster, the State President, to resign over his role in Information Department.

ieffy...
Abernethy suspected his bills were on the high as someone had got their eyes crossed and he was paying light up his street.

German Government
The German Government has demanded that the Thomson family return to power in the country after the Second World War.

New government vital says Mrs. Thatcher • FT index jumps 20 points

Rees predicts defeat in censure vote

BY RICHARD EVANS, LOBBY EDITOR

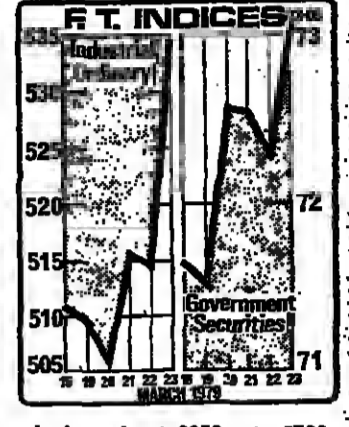
ONE of Mr. James Callaghan's closest ministerial colleagues admitted last night that the Government would probably be defeated in the Commons next week, and would be forced into a spring General Election.
To the astonishment of his Cabinet colleagues, who have been stressing the chances of survival, however slender they may be, Mr. Merlyn Rees, the Home Secretary, forecast the likelihood of defeat.
Asked on BBC Television's Nationwide programme whether he thought the Government was going to survive, Mr. Rees replied, "No."
When Mr. Robert McKenzie repeated the question: "You will not survive?" Mr. Rees replied: "Well, if you ask me, at the bottom of my heart I do not know; but I just have a feeling at this moment that we stand a very good chance of being defeated."
The comments from such a senior Minister and confidant of the Premier will scarcely help the morale of Labour MPs as they face the challenge of next week's censure debate.
They followed more veiled comments earlier in the day

from Mr. Michael Foot, Leader of the Commons, who referred to the Government's slim chance of survival and the well-known prospect of seeking a clear majority in a General Election.
Mrs. Margaret Thatcher, backed by signs of hardening minority party support, predicted last night that the Government would survive.
The Prime Minister said that "enough is enough."
In a low-key television broadcast to the nation before the interview with Mr. Rees, the Conservative Leader explained her reasons for rejecting the Government's proposal for talks with all parties on devolution.
She accused the Prime Minister of simply trying to buy time with his belated offer of talks, and said that it was vital to have an immediate General Election so that devolution and other key issues could be considered properly by an incoming Government with a fresh mandate.
The right way to proceed is to continue on Back Page

Market rides high on Tory hopes

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

STOCK MARKET prices rose sharply yesterday on hopes of a Conservative victory at an early general election which would follow the Government's defeat in next Wednesday's confidence vote. The FT 30-share index jumped by 20 points to 534.6, its biggest single-day rise since July 1975.
This brought the index up 23.7 points over the week and took to within 0.9 of its 1978-79 peak and to 14.6 below its record of September, 1977. The more broadly based indices advanced to new peaks.
Demand was reported as strong throughout the day on hopes that a Tory administration would quickly remove dividend controls, start to alter the balance of taxation and ease exchange controls.
Gilt-edged prices also increased sharply following an unsettled week. There were gains of between 11 and 13 in many stocks and the FT Government Securities index rose 0.76 to 73.05. The new long-dated issue, which was a near sell-out at Thursday's tender, closed at a premium of £2 at £42 (in its £40 per cent partly paid form). The market was not unsettled by the sizeable amount of stock in the hands of the jobbers, in addition to roughly £100m left with the Government Broker.
The market's response to the first gilt tender is clearly a relief to the authorities. Not



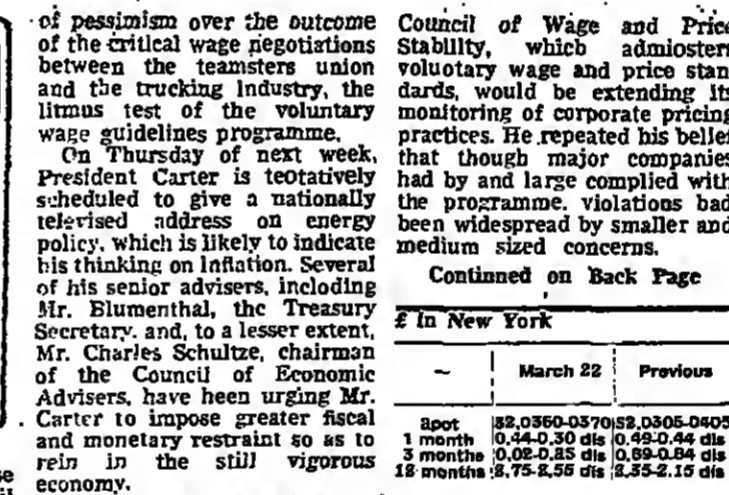
only has about £850m to £700m of funding been tied up, but there has been none of the embarrassment of the over-subscription—and very large consequent premiums—of the issues made a month ago.
The markets yesterday also paid some attention to the Bank of England's signals about maintaining stable interest rates for the time being. The Treasury bill rate rose by 0.1403 at yesterday's tender to 11.0702 per cent. While this is still out of line with the 13 per cent Minimum Lending Rate, the gap has narrowed compared with the levels of the past fortnight. But the Bank is still not altering its own trading rates for bill. Back Page

HOW THEY ARE LINING UP

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Largest increase in U.S. cost of living in 4½ years
BY MARTIN, U.S. EDITOR
THE U.S. cost of living rose in February by the largest amount in 4½ years, thus demonstrating once again the scale of the inflationary problem confronting President Carter's Administration.
The 1.2 per cent seasonal adjusted jump in the consumer price index, up from 0.9 per cent in January and the 0.7 per cent monthly average for all of last year, means that over the last 12 months prices have risen by 9.9 per cent and over the last three months at a compound annual rate of 11.3 per cent.
Inflation was widespread as recent increases in wholesale prices were passed on to the consumer. The food index, for example, rose by 1.6 per cent, with the nearly 5 per cent advance in the meat sector more than offsetting modest rises in fresh fruit and vegetable prices.
The housing index rose by 1.3 per cent, with mortgage interest rates, partly influenced by the lifting of usury law ceilings in New York and California, going up by over 3 per cent in the month.
Energy costs were up 1.5 per cent, with a 3.1 per cent increase in the price of home heating oil and a 2 per cent leap in petrol prices.
All this produced a 0.8 per cent decline in real earnings from the levels of January. It is this fact of life, combined with the news earlier this week that corporate profits in the final quarter of last year had soared by over 28 per cent in a year, that is casting a note

of pessimism over the outcome of the critical wage negotiations between the teamsters union and the trucking industry, the litmus test of the voluntary wage guidelines programme.
On Thursday of next week, President Carter is tentatively scheduled to give a nationally televised address on energy policy, which is likely to indicate his thinking on inflation. Several of his senior advisers, including Mr. Blumenthal, the Treasury Secretary, and, to a lesser extent, Mr. Charles Schultz, chairman of the Council of Economic Advisers, have been urging Mr. Carter to impose greater fiscal and monetary restraint so as to rein in the still vigorous economy.
Yesterday, Mr. Alfred Kahn, Mr. Carter's leading adviser on inflation, declined to be drawn into discussing the latest consumer price increases. He did hold out some hope for a moderation in meat prices in the months ahead and argued that a slow down in general economic expansion would contribute to a reduction in the rate of inflation. He said that next week the



Three-month gas price freeze
BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT
DOMESTIC AND industrial gas tariffs have been frozen for three months by the Price Commission while it investigates a proposed 8.5 per cent average increase in charges.
The freeze, announced yesterday by the commission, comes only a week after it decided to freeze electricity charges, a move which threatened to cause an open rift between the Energy and Prices Departments over the commission's role in nationalised industrial pricing policies.
The threat was averted after much bitter behind-the-scenes wrangling in Whitehall, but earlier this week Mr. Charles Williams, commission chairman, gave a warning against Government interference in the commission's activities.
Although British Gas was last night said to be angry at the

blinded that it would consult the Government if it found that the financial targets set British Gas were too high.
Late last year the Government set British Gas a financial target for 1979-80 of a 6.5 per cent return on turnover after interest and depreciation.
The target, which was set for only one year, was considerably higher than British Gas had expected. With the lower target of 4 per cent, which it had previously set itself, it had expected to avoid having to apply for a price rise for several more months.
The Gas Corporation considers that the intervention by the Price Commission has made nonsense of the Government's declared intention that gas prices should not fall in real terms.

NUPE may pull out of pay negotiating team

BY PAULINE CLARK, LABOUR STAFF

THE National Union of Public Employees will decide this weekend whether to pull out of the union teams negotiating for Britain's 250,000 hospital ancillary workers—a move which could condemn the battered health service to prolonged inter-union warfare.
The NUPE executive committee will meet today to consider the latest developments in its lone campaign to continue industrial action over pay.
All the signs yesterday were that the union was unlikely to call off the action and that it was prepared to face being outvoted on the hospital ancillary workers' staff side negotiating committee when it meets on Monday.
The General and Municipal Workers Union, the Confederation of Health Service Employees and the Transport and General Workers Union have all agreed to accept a 9 per cent pay offer with a comparability study and £10 on account.
Each union has four seats on the negotiating body, though NUPE claims to represent 150,000 of the 250,000 health service workers involved.
For two weeks it has stood firm against calling off selective industrial action affecting hospitals throughout the country in support of its demand for an improvement in the offer and the establishment of a £60 minimum wage.

RISE IN PRICE CHANGES YESTERDAY
(Prices in pence unless otherwise indicated)

Land Secs.	293 + 9
Lloyds Bank	340 + 22
M&P	183 + 7
Marley	101 + 9
Morgan Edwards	89 + 7
NatWest	350 + 18
NatWest Int'l.	321 + 21
Peterson Zochonis	217 + 17
Rentokil	101 + 13
SGS (HL)	222 + 13
Sutton	222 + 13
Tube Invs.	422 + 16
Utd. Scientific	295 + 22
Williams & James	190 + 12
Wilmot-Breeden	113 + 18
Guthrie Corp.	535 + 12
East Rand Prop.	296 + 14
Messina	98 + 8

FALLS:
Saga Holidays 200 - 20
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Percentage rise in Fund offer price since launch date	+828%*	315.2%	+142%	+97.6%
Percentage rise in FT Ordinary Index over same period	+22%*	37.4%	+7.6%	+29.3%

*Accumulation units shown because income units were not available at Recovery Fund launch. N.B. FT Ordinary Index % change takes no account of reinvested income.

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OVERSEAS NEWS



Mr. Abdul Haleem Khaddam, Syrian Foreign Minister, in London yesterday

Anti-Egypt sanctions will be automatic, Syrian leader says

BY RICHARD JOHNS, MIDDLE EAST EDITOR

POLITICAL and economic sanctions against Egypt will follow automatically from signature of the peace agreement with Israel... James Callaghan, the British Prime Minister, as satisfactory.

Israelis plan settlement drive in occupied areas

BY DAVID LENNON IN TEL AVIV

ISRAELI IS planning to push ahead with a new settlement drive on the occupied West Bank, despite the peace treaty with Egypt and a Security Council resolution condemning such activity.

Opposition calls for Vorster resignation

By Quentin Peel in Johannesburg

THE TWO major Opposition parties in South Africa yesterday called on Mr. John Vorster, the President, to resign over his role in the Information Department scandal.

AFTER THE SYKES MURDER 'Lax security' in The Hague

BY GILES MERRITT AND CHARLES BATCHELOR IN THE HAGUE

AS THE signs pointing to a Provisional IRA assassination of Sir Richard Sykes, Britain's ambassador to The Hague, mounted yesterday there was growing recognition that lax security in the Dutch capital may have spotlighted Sir Richard as an IRA "soft target."

Pinto likely to offer resignation

BY JIMMY BURNS IN LISBON

PORTUGAL yesterday was on the brink of a political and economic crisis following the unexpected Parliamentary defeat of Sr. Carlos Mota Pinto's four month old non-party Government.

Herstatt Bank crash trial starts

BY JONATHAN CARR IN BONN

THE TRIAL of eight people accused of involvement in the collapse of the Herstatt Bank in 1974 has begun in Cologne, amid scenes confirming it is likely to be many months before verdicts are reached.

Call for Cyprus talks with EEC

BY GUY DE JONQUIERES, COMMON MARKET CORRESPONDENT IN BRUSSELS

MR RAUF DENKTASH, the Turkish-Cypriot leader, called yesterday for a special meeting in Brussels of both Greek and Turkish Cypriot representatives to discuss ways of improving the operation of the island's association agreement with the EEC.

Economic summit date proposed

BY CHARLES SMITH IN TOKYO

PERSONAL assistants of the Heads of State of the seven major industrial nations have completed two days of discussions in Tokyo on the arrangements for the advanced nations economic summit due to be held here in late June.

Protest over China building project

By David Hogg

FURTHER SIGNS of strain on China's economy emerged yesterday when three Chinese papers proposed in front page stories that some of China's ambitious building programmes should be abandoned because of a shortage of building materials.

Mediation 'success' with Kurds

By Anthony McDermott in Tehran

After more than four days of fighting between Kurds in the north-west and militiamen of the provisional Government of Iran, mediation appears to have been successful.

Pakistan poll set for November

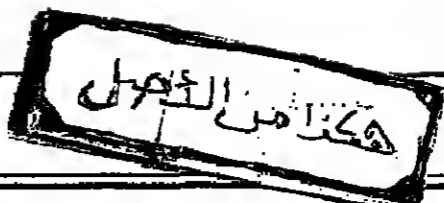
By Chris Sherwell

ELECTIONS TO a new Pakistan Parliament will take place on November 17, Gen. Zia-ul-Haq, the country's military ruler, said yesterday.

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UK NEWS

Prior details plan for law to curb pickets

BY ELINOR GOODMAN, LOBBY STAFF

CONSERVATIVE election plans will include new laws for controlling secondary picketing by law. It is likely to detail the party's plan that social security benefits should be given on the option that unions are supporting members financially in the strike.

James Prior, Shadow Secretary, said today that the party would publish proposals specifying "who, the when and where of picketing."

The party has studied the law and concluded that the current code of practice, it once advocated, would be inadequate even if immunity or breach of contract were extended.

Prior also confirmed that policy on social security cuts to strikers would be that strikers who do not get their State help than sent.

Conservatives, he said, did not think that the union should accept a "large and responsible" for supporting those on strike.

Mr. Prior was one of several from Mrs. Thatcher's team who took advantage of the conveniently prearranged Conservative Central Council's annual meeting in Solihull to expound his policies.

However, although the Shadow Cabinet hopes to win next week's general election, Shadow Ministers were careful not to whip up expectations unduly. Privately, they warned delegates that the Prime Minister had often shown what a proficient escapologist he was and he might pull it off again.

In public, they also hedged their bets. The furthest Lord Thornycroft, party chairman, would go was to say that there might be an election within eight weeks.

Nevertheless, speakers were obviously aware that the conference might mark the beginning of the unofficial election campaign and some had drafted their speeches at the last moment to take account of that.

Mr. Prior, who appeared earlier to have launched an ill-timed attack on Mrs. Thatcher

and her industrial policies, was particularly careful to say nothing that might appear to contradict her views. He denied that there were divisions between him and Mrs. Thatcher.

Mr. William Whitelaw, Shadow Home Secretary, used the conference to disclose new details of his law-and-order policies, which, with the party's strategy on the unions, is likely to be a main part of its election strategy.

A Conservative Government would, he said, restore the power to magistrates to prevent some young offenders from returning to their homes. It would develop the use of attendance centres for offenders up to the age of 21 to deprive "young hoodlums" of their leisure time.

Mr. Whitelaw also repeated the party's commitment to allowing MPs a free vote on capital punishment in the first session of a Conservative Government. He suggested, however, that there was a strong argument for shorter prison sentences for non-violent offenders.

Law on misleading bargain price offers likely soon

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

LEGISLATION to ban misleading "bargain price" offers is expected to be announced early next week by Mr. Roy Hattersley, the Prices Secretary, despite vigorous opposition from retailers and manufacturers.

Mr. Hattersley is likely to lay an Order before Parliament which will take effect from the summer or early autumn. It would prohibit bargain offers claiming a price reduction on a national or manufacturer's recommended selling price.

A similar Order at the beginning of this month banned retailers from offering misleading bargain offers for beds unless it could be shown that the offers were based on genuine price reductions.

The Order, to be announced next week, may not be as comprehensive as first planned by the Government, due to the strength of the opposition from both industry and Whitehall.

In particular, the Order may offer important concessions on timing and extent of the ban, especially for food manufacturers and mail order catalogue traders.

The Government's overall aim will remain the same in the Order, to prevent retailers from displaying or advertising prices so as to mislead consumers into thinking that savings are offered when they are not.

Such statements as "10p off manufacturer's recommended price" or "worth £36 — only £19.95" would be made unlawful by the Order.

Advertising genuine reductions where the price has been held for 28 days in the previous six months, will still be allowed.

The Government is expected to lay an Order before Parliament next week on display of prices in hotels and restaurants.

Publication is due for the Government's Green Paper on restrictive trade practices. A special committee headed by Mr. Hans Liesner, a Government economic adviser, has produced the consultative document as a follow-up to its report on competition policy, published last year.

Ladbroke suspends lottery for children's charity

BY PAUL TAYLOR

LADBROKE GROUP yesterday suspended the issue of Cashcade lottery tickets to the Make Children Happy charity following an argument over the charity's financial position.

It almost coincided with an announcement by the Charity Commission of an investigation into the charity's affairs; it is likely also to affect Ladbroke's plans to sell the Cashcade business to a consortium of charities — including Make Children Happy — for £1m.

The Ladbroke move also reflects increasing uncertainty about the future of charity and local authority lotteries in the wake of the report of the Royal Commission on Gambling.

The financial problems facing the Make Children Happy charity, or more precisely its trading company, came to light this week.

Ladbroke launched Cashcade in January 1978, and this charity was one of the first to enter into an agreement with Ladbroke Lottery Management. It used this agreement to launch itself nationally in September last year.

Make Children Happy has complained that of the £700,000 it had expected from the lottery, only £475,000 had been received by the end of 1978, creating "serious" cash flow problems for its trading company.

Ladbroke responded with a statement describing the charity



MR. CYRIL STEIN, Chairman of the Ladbroke Group

its financial consequences.

Mr. Fletcher said the charity itself was not in financial danger and welcomed the Charity Commission investigation, though it is unlikely to inquire into the difficulties faced by the trading company.

The position is further complicated by the proposed sale of the Ladbroke Cashcade system to a consortium of national charities. About £7m has been raised by Cashcade since it was launched 14 months ago. However, it has not proved to be the bonanza that Ladbroke expected and increasing competition, coupled with fears about the future of local lotteries, have persuaded the company that it might be better to sell off the business while retaining a management role.

Although 10 charities were involved originally in a bid to buy the system, it is understood that they are now down to six, including Make Children Happy. The six recently agreed to terms of the sale, with the advice of bankers and solicitors, under which they would purchase the business from Ladbroke financed from a levy on future lottery ticket sales.

However, the recent controversy over Make Children Happy appears to have further soured relations between the company and the charities and discussions over her sale are not expected to resume until April 3.

as "extravagant," accusing it of poor financial control, and calling for an investigation into its affairs.

The charges were denied yesterday by Mr. Ian Fletcher, charity director, who said he was surprised by the Ladbroke response since the charity had simply suggested that Ladbroke should "share the responsibility" for the over-optimistic forecast of lottery returns and

Iowe attacks £3bn income tax burden

JOHN HUNT, PARLIAMENTARY CORRESPONDENT

REDUCE income tax to the existing level under the last Conservative Government would cost £3bn a year, Sir Geoffrey Iowe, the Shadow Chancellor, said yesterday.

That is the true measure of the increase in the burden of the tax since 1973-74. It costs roughly £150 per household in terms of "real" money, he said in a budget statement.

Figures were based on inflation he had obtained from the Treasury. Mr. Healey, the Chancellor, Geoffrey said this showed to cut the basic rate of tax from 33 per cent to 20 per cent level of 1973 would cost the Treasury £250m.

restore the true value of

Tory backs concordat

By Our Parliamentary Correspondent

MR. LEON BRITTON, a Conservative Party spokesman on employment, acknowledged last night that the Government's concordat with the TUC was "an important step forward in the discussion of industrial relations."

In a speech that diverged markedly from the Tories' previous hostility towards the agreement, he indicated that the incoming Conservative Administration would have to use the concordat as a basis for discussion with the TUC.

"We should now examine carefully the solutions proposed in the concordat and explain exactly where and why these solutions seem to us inadequate," he said. "We should then invite the TUC to remedy the deficiencies and come up with further proposals."

Contract welders 'half to blame' for £1m fire

WELDERS FROM a contract company were held by a High Court judge in London yesterday to have been half to blame for a fire at the Cowley plant of BL (formerly British Leyland) in March, 1972, which caused nearly £1m of damage in the paint shop.

Mr. Justice Chapman awarded BL £462,443 in damages against Carrier Engineering, of London, which had denied liability. BL admitted part liability.

Mr. Justice Chapman said BL "had created a dangerous situation and Carriers had ignited it."

The fire had turned the spray-booth on No. 2 paint line into "a tunnel of flame" after Carrier's employees had ignored an order by a BL fire officer to stop welding.

The order had been given because solvents used to clean the paint booth were still present and giving off a volatile vapour.

"If you have a powder barrel one must seriously blame the people who leave it in a place where people can get at it," the judge said.

But there also had to be considerable blame "on persons who come along and set fire to it."

Helicopter proposal rejected

By Paul Taylor

PROPOSALS for a floating helicopter landing pad on the Thames between Southwark and Blackfriars bridges have been rejected by the City of London Corporation.

The debate over the landing pad scheme led to a rare division in the corporation's Court of Common Council and a vote against the scheme by 53 votes to 52.

The recommendation will now go to the Greater London Council, which is considering a planning permission request from the British Helicopter Advisory Board for a floating helicopter terminus on a three-year trial basis.

Engineering orders rise by 5.5%

BY HAZEL DUFFY, INDUSTRIAL CORRESPONDENT

A REVISION upward of the November figure for new orders in the engineering industry, followed by a fairly high level of orders in December, led to a substantial improvement in orders received in the last quarter of 1978.

The official reason for the jump in the seasonally-adjusted November figure is that it reflects mainly the placing of orders by the Central Electricity Generating Board for the Drax B power station. The indices, published in Trade and Industry yesterday, cover the electrical, mechanical and instrument sectors.

The effect of the revision has been to raise orders for the last quarter of 1978 by 10.5 per cent, above the figure for the previous quarter. In the home market orders went up by 12 per cent in the quarter, and export orders were up by 7 per cent.

The picture that emerges is one of a steady rise in orders from start of the industry made to 1978. For the year as a whole new orders were only 5.5 per cent up on those of 1977.

A very slight increase in the early months was followed from April onwards by a flat period. Export sales were more erratic, showing a slight falling off in the second half.

Gas pensions' American stake

THE BRITISH GAS pension funds are to spend \$10m a year on property investments in North America, their first venture into overseas property investment. They own £150m worth of property in the UK out of a total fund of £550m.

The venture will take the form of a partnership with the Lehdorff Organisation, a property management group in Dallas and Toronto which claims to manage assets of \$400m.

The funds and Lehdorff have an open-ended agreement to invest up to \$10m a year each in the early years, with the possibility of a higher ceiling later.

This announcement is made by Baring Brothers & Co., Limited on behalf of The Guthrie Corporation Limited.

The Guthrie Corporation Limited

To the ordinary shareholders

Guthrie's Dividend Record	
	Net Dividend
1975	6p
1976	10p
1977	15p
1978 (to be recommended)	21p
1979 (forecast)	28p

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The Directors of The Guthrie Corporation Limited have taken all reasonable care to ensure that the facts stated and opinions expressed above are fair and accurate and they jointly and severally accept responsibility accordingly.

"1978 was another record year for Nationwide Building Society."

Sir Herbert Ashworth, Chairman of Nationwide Building Society, addressed the Annual General Meeting of members of the Society in London on Friday 23rd March.

The following are points from Sir Herbert's speech:

- Record mortgage advances of over £755 million.
- Record investment receipts of £1,466 million.
- Total assets increased by a record £499 million to £3,303 million (+17.8%). At the year end reserves had risen to over £118 million.
- About half the 70,000 loans made in the year were to first time buyers and about a quarter to people buying property over 50 years old.
- Over 2 million people now keep their savings safe with Nationwide.

Nationwide Building Society

Please call in at any of our 832 branches or agency branches for your free copy of our 1978 Report and details of our services for investors and borrowers.

Funds exceed £3,300 million. Authorised for investment by trustees. Member of the Building Societies Association.

UK NEWS

BICC closure will cost 490 jobs

BY RHYS DAVID
BICC, the cables and electrical products group is to close its BICC-Connollys plant in Kirkby, Liverpool...

more in such products as dishwashers and two-door refrigerators. Overseas manufacturers of those products obtained enamelled wire in their home markets...

Bishops lose fight—against pay rise

BY LISA WOOD
IT IS rare that an employer should accept a pay rise. But the Church Commissioners have had to urge senior clergy to accept an 18 per cent pay rise...

cesan bishops, as the Bishop of Liverpool, would go up from £5,618 to £6,660. Dr. Donald Coggan, the Archbishop of Canterbury, will get a rise from £10,590 to £12,555.

find the money and who see it as their duty to ensure that the clergy are adequately paid. The commissioners also pointed out that the erosion of pay differentials between senior clergy and the clergy generally 'had gone far enough'...

Import controls urged by TUC

BY CHRISTIAN TYLER, LABOUR EDITOR
THE TUC is making what could prove to be a last-minute effort to persuade the Government to take an initiative on import controls.

flation by 1982 that the TUC and the Government see as acceptable. Nor is a joint statement considered likely, despite the wish of all three parties to bring influence to bear on the pay expectations.

Oil account £75m is transferred

By David Freud
A TOTAL of £75m was transferred yesterday from the National Oil Account to the Consolidated Fund, the Government's main expenditure account.

Gas liquids delivery starts on Teesside

BY KEVIN DONE, ENERGY CORRESPONDENT
PHILLIPS PETROLEUM has begun initial deliveries of natural gas liquids from its £300m terminal on Teesside three years later than originally planned.

The crude oil terminal at Seal Sands began operation three years ago, but until the processing could be commissioned natural gas liquids have been extracted at the field and re-injected into the reservoir.

Old chief back in control

THE MANAGING director of a Lancashire construction company who resigned a month ago has acquired a large stake in it and is trying to run it as an independent concern.

Civil Service unions plan another protest

BY PHILIP BASSETT, LABOUR STAFF
THE TWO largest Civil Service unions now staging a campaign of selective strikes over pay will hold a second one-day national strike if wage negotiations next week fail to produce a settlement.

The unions reported that about 12 further social security offices were closed, in addition to the 40 closed since Wednesday.

CPC to stop making Gerber baby foods

BY RAY PERMAN, SCOTTISH CORRESPONDENT
CPC (UK), the cereals and food group, is to stop making Gerber baby foods, which it has done under licence from the U.S. company for 15 years.

Chinese meals under the Knorr brand. The factory also makes Knorr soups and sauces. Brown and Poulson cornflour and blancmange, Hellman's mayonnaise, Dextrosol, and Caterplan.

Free timetables for rail users

BRITISH RAIL'S Southern Region will give away 1m timetables at local stations from the end of April before the new times are introduced on May 14.

Lending right Bill given Royal assent

BY ANTHONY CURTIS, LITERARY EDITOR
THE PUBLIC Lending Right Bill has received Royal Assent. This means that British authors or their estates whose books are in copyright will in future receive some reward when their books are borrowed from public libraries.

The amount will depend on the number of loans as recorded by computer in a sample of libraries throughout the UK. It is hoped to use existing equipment for the purpose.

Jersey attracts more visitors

JERSEY is now attracting some 765,000 visitors a year, according to a recent survey. During the 12 months from March 1, 1977 to February 28, 1978, the island is estimated to have earned £88m from tourists.

National Theatre dispute may be made official

BY PAULINE CLARK, LABOUR STAFF
A DISPUTE which has closed the National Theatre in London and led to the suspension of 27 stagehands may be made official by union leaders this weekend.

of union instructions, has now been taken to the disputes procedure. But management has said it will not reinstate the stagehands until a new working agreement has been signed which would bring to an end a spate of industrial disruption in the theatre.

Cope Allman International Limited. An international Group of companies engaged in packaging, engineering, fashion and leisure. Interim results (unaudited) for the half-year to 31st December, 1978. Group Sales: 90,860, 78,942, 158,905.

Luxury yacht builders to cease operations

BY ROY HODSON
A SIGN that times are hard for the rich and hedonistic is that Dagless of Wisbech, Cambridgeshire, builder of luxury yachts, is completing its last vessel.

about £100,000, became a standard by which other vessels in its class were judged. The company bowed to modern trends by using glass fibre in its vessels. The last yacht, however, is made of wood.

Loganair buys Belfast aircraft

BY Belfast Correspondent
State-owned aircraft and missile manufacturer, has sold two 30-seater commuter aircraft, the 330, to Loganair of Scotland.

Print union fails to lift injunction on blacking

A TEMPORARY injunction was granted in the High Court yesterday ordering the National Graphical Association and the Society of Lithographic Artists, Designers, Engravers and Process Workers (SLADE) to stop blacking advertisers that use the Nottingham Evening Post for their promotion.

instruct their members to stop the blacking until the hearing resumes on Monday. However, after hearing counsel's submissions, Lord Denning, Master of the Rolls, said that the appeal judges would hear the matter fully on Monday.

DON'T PAY ANY TAX! Until you've read the 'Leasing Report'. Send for full details and find out why that April 5th tax bill is coming!

UK Provident. ever improving terms for the Self-employed. Freedom of movement option: Now when you retire you can transfer funds accumulated with us to another insurance company if you think they'll give you a better pension. Larger pension option: And we've introduced a further option to increase the cash fund available to provide your pension.

THE WEEK IN THE MARKETS

Election fever spreads

Election fever has been spreading this week, and the Exchange has certainly been a victim. Violent swings of share prices have been seen, and at times it has seemed as if the FT 30-Share Index is incapable of moving in less than 10 points.

Markets are now looking forward to a decisive victory. The share racking this week has been so intense that it has seemed that a general election was going to be held until the last minute. The Prime Minister's statement in the Commons Thursday left the market in a gloomy mood, given the uncertainty about the intentions of the minority parties. It was for an hour or so as if all calls on devolution would be forced to get the Government off the hook. When, on Friday morning, it became clear that the Conservatives had a motion of no confidence which they expected to win, the market opened jubilantly.

Only were equities almost higher in the first half but those who had been enough to apply for the government stock tender were rewarded by a handsome dividend on the minimum of £97.50 at which the issue was oversubscribed, and the new issue did not really need to be sold. The market for gilt-edged issues, as undersubscribed, there no competitive tender issue took place like a conventional stock market.

Thursday afternoon the market was depressed: money supply figures for the month to mid-February, showed a worryingly large loss of bank credit—no doubt the result of disruption by the lorry strike. Yesterday the market was forgotten; amnesia to be a side-effect of a fever.

Unloads: The 15 per cent stake owned by institutions at a discount of 11 per cent to the price on the previous

day. The placing has deposited another £150m in Imps' already overflowing coffers. Interest now centres on when and where the tobacco giant will re-invest. Judging by the cautious tone of the subsequent annual meeting, the group will not go in a hurry to spend the money. Some £55m of the £75m raised on the first tranche of the BAT disposal, made in 1975, still remains, after all. Cash and near cash probably exceeds £200m, allowing for a capital gains tax liability on the latest sale of about £20m, and the

fruther investment. The Courage brewing subsidiary is at last beginning to prove its worth, which raises the intriguing possibility that Imps may be tempted to test the waters of the U.S. drinks market.

Consumer aids Tubes: The consumer has been good to Tube Investments, for the contribution from its domestic appliances, toys and Raleigh bicycles business accounted for around half the near £25m pre-tax improvement last year. The rest of the advance stemmed from the decision to treat British Aluminium as a subsidiary for the full year, whereas it was an associate for all but the final quarter of 1977.

BA just exceeded its £25m pre-tax profit placing forecast and early estimates are sighted on £30m for the current year. Encouragingly the 5 per cent price rise announced last September is now beginning to stick after initial customer resistance. BA has a strong balance sheet with gearing of only 13 per cent and a 1978 cash surplus of £8.2m.

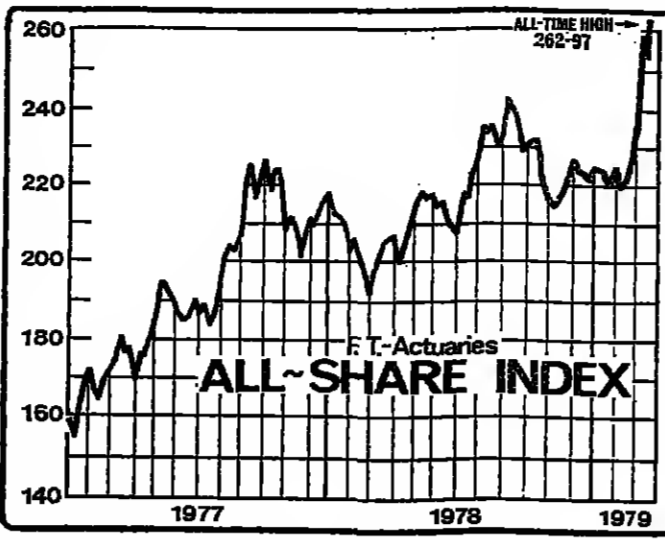
That boosted TI's own cash surplus to £13.1m after a high level of capital spending at £43m and TI's indebtedness has been cut to 28 per cent of shareholders' funds after a 15 per cent reduction in debt. The capital goods areas are still faced with stagnant demand and tough competition—Natural

Gas Tubes entered the UK steel market for the first time—but the speciality products and seamless tube divisions are thought to be pushing through 5 per cent price increases while raw materials can still be obtained at discount prices.

Lorrho comes back: Lorrho's latest bid for Scottish and Universal Investments—announced on Monday—looks like becoming an even more fiercely contested struggle than when Lorrho first moved for SUITS last April. In the intervening months the Monopolies and Mergers Commission has investigated and cleared Lorrho's bid but this time the group will not have the support of Sir Hugh

Fraser—SUITS' deputy chairman who last year strongly supported Lorrho's offer, then worth around £38m. This time Lorrho is hiding around £56m in cash and shares but Sir Hugh and Mr. James Gossman—who also supported Lorrho's last offer—this week joined with the other independent SUITS' directors in rejecting the latest bid which they say undervalues the group.

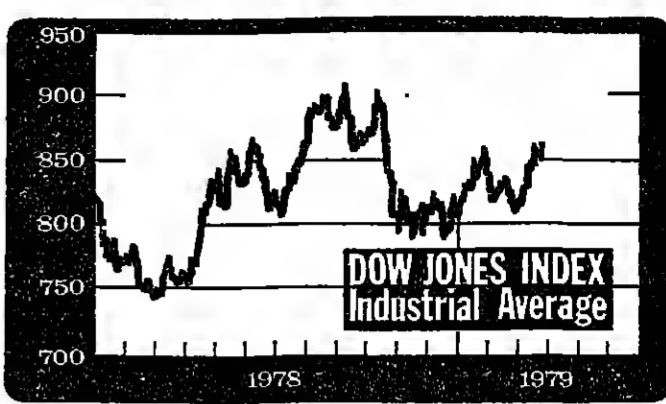
Sir Hugh has yet to explain his change of heart but yesterday denied that there had been a breakdown in his relationship with Mr. Tiny Rowland, Lorrho's chief executive. SUITS shareholders may now have to wait for the defence document to explain why Sir Hugh has withdrawn his support for a Lorrho bid.



ALL-SHARE INDEX

A nip in the air

THE SEASONS change abruptly in New York and on Wednesday, cued perfectly as the Spring Equinox, balmy weather enveloped the city for the first time this year, sending the temperature through the sixties and New Yorkers rushing for their spring wardrobes. The gentlemen of Wall Street, however, are still wearing their winter coats. A cold front has been pushing up from Washington where President Carter's policymakers gave a frosty response to the blooming fourth quarter profits report from the Commerce Department. Their political rhetoric has been threatening to nip in the bud a promising stock market rally. The market has been fighting back, however, and hit a new high for the year on Thursday.



DOW JONES INDEX Industrial Average

WALL STREET

Street's sharper-eyed stockbrokers even reported sighting those phantoms of the equity market, the institutional investors, buying stock. The gloomy souls had apparently been lured out of their resting places next to telephones into the commercial paper and certificate of deposit markets by the prospects of profits in the oil sector. They had already seen in the bidding for International Paper's oil properties just how attractive the oil industry finds the prospect of rising domestic oil prices and the bandwagon appeared to be just waiting for them to climb aboard.

scarcely urge restraint on the wages of labour if the rewards of capital appear to be unduly bloated, especially now when the crucial Teamster's Union wage contract negotiations are coming to a head. By common consent if the Teamster's settlement cannot be presented as meeting the wage restraint guidelines then the guidelines can be torn up. If the rhetoric from Washington was not depressing enough there were some practical suggestions which cast a pall over the market. Thus the President's advisers are said to be examining the implications of a special excess profits tax for the oil industry as part of any new package aimed at controlling energy use and allowing oil prices to rise in future to world levels. Some of the oil companies, Atlantic Richfield for example, are resigned to the fact that windfall profits from rising oil prices are not likely to flutter unimpaired down to the bottom line. Surprisingly investors seemed to find the thought novel.

There are those who see in the rhetoric an acceleration of the drift towards mandatory price controls or credit controls as part of a stiffened anti-inflation stance. The best hope that this can be avoided is if the economy begins to slip quickly into mild recession which will dampen inflation down. So far the evidence that this is happening is scanty.

CLOSING PRICES table with columns for day (Monday-Thursday) and price change (+/-).

MARKET HIGHLIGHTS OF THE WEEK

Table with columns: Price, Change on Week, 1978/79 High, 1978/79 Low, and Market Event (e.g., General Election fever, Imps. sells remaining stake).

U.K. INDICES

Table with columns: Average week to, Mar. 23, Mar. 16, Mar. 9, and various indices (Govt. Secs., Fixed Interest, etc.).

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However, should any alteration in current taxation make it attractive to the Trust, it is the Trust's intention to invest solely in Gilt-edged Stock. In such an event the Trust's name will be changed to reflect these circumstances.

You should remember that the price of units, like income from them, can go down as well as up; therefore, regard your investment as long-term, rather than a short-term one.

minimum investment: The current minimum initial investment in the Trust is £500. Subsequently, additional investments may be made from a minimum of £100.

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Form with fields for Signature, Full name, and Address.

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Table showing interest rates for various terms (3, 4, 5, 6, 7, 8, 9, 10 years).

INTEREST 14 1/2% PER ANNUM

GOLD How much is left in Fort Knox?

The World Money Analyst has an exclusive interview with Professor Anthony Sutton, best-selling author of 'War on Gold'. He asks: Why does the US Government refuse an independent audit of its gold stocks in Fort Knox? How much is left there? How much is low grade gold?

2 FREE SPECIAL REPORTS: Outlook for '79 and Gold Market

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Form with fields for Name, Address, and P/Code.

Top performing U.K. trust-1978

Schlesinger Special Situations Trust - up 66% in 16 months

This trust was the top performing U.K. invested unit trust in 1978, (Source: Planned Savings), showing a rise of 32.7% compared with a rise of 2.8% in the F.T. Actuaries All-Share Index. Since the launch in November 1977 the unit price has risen 66%, and the All-Share Index 23.6%.

Growth opportunity: 'Special Situations' can often offer excellent investment opportunities, particularly in a rising stockmarket. The trust invests in the different types of 'Special Situations' listed below, many of them smaller companies, and is aggressively managed for capital gain. The portfolio is currently invested in 34 stocks including:

Recovery attacks - Companies whose stockmarket rating has overreacted in disappointing results or a difficult background.

High yield stocks - including situations where there is the potential for a re-rating.

Asset situations - where asset values are not properly reflected in share prices.

Bid situations - particularly stocks which for various reasons stand at a discount in the bid price.

The investments will be carefully selected after drawing on Schlesinger's own research and on the specialist research knowledge of many London and Regional stockbrokers.

Schlesinger's recommendation

Whilst this concentrated fund offers scope for superior capital performance, it is likely to be more volatile than the market. Investors should bear this in mind when deciding what proportion of their portfolio to invest in the trust.

Distributions will be made on 18th May and 18th November and the estimated gross yield on the current offer price of 41.6p is 1.75%. Any investment should be regarded as long-term.

Remember that the price of units and the income from them may go down as well as up.

PIMS - financial planning advice

Minimum investment in the fund is £500. Investors of £2,500 or more receive Schlesinger's Personal Investment Management Service (PIMS), including portfolio reports and invitations to meetings.

Schlesinger PIMS also features a full advisory service on taxation and financial planning.

General Information: To invest, use the form provided. Contract notes will be sent by return and a certificate issued within 6 weeks. The Unit Price and Yield are published daily in leading newspapers. To Sell units, simply return your certificate appropriately endorsed on the back - payment is normally made within 7 days of our receiving the reasonable certificate.

Charges: An initial charge of 5% is included in the offer price. A charge at an annual rate of 1% (plus VAT) of the value of the fund is deducted from gross income towards administrative expenses. Corporation tax of 14% will be paid to recognised agents. Trustees: Midland Trust Unit Company Ltd, Auditors: PricewaterhouseCoopers & Company, Managers: Schlesinger Trust Managers Ltd, Registered Office: 10 Hans Road, London SW3 3RE. Incorporated in England. No. 01955. Members of the Unit Trust Association. This offer is not available to residents of the Republic of Ireland.

Form with fields for Name, Address, and Date.

A cheque is enclosed, made payable to Midland Bank Limited.

Schlesinger Special Situations Trust

FINANCE AND THE FAMILY

Role of a trustee

BY OUR LEGAL STAFF

I was somewhat surprised at your answer under "Role of a Trustee" (January 27). My own experience as secretary with charitable trusts and their associated deeds are that all trustees must be advised on the actions taken and also that they themselves may ask, and indeed are charged to do so, for any details. Do you not agree?

The duties of trustees are defined in the constitution of the charitable trust and by the general law. Where there are separate trustees who hold trust property and trustees (or others) forming a council or executive there is no requirement under the general law for the holding trustees to be

apprised of all decisions of the executive body. While your own body may have a constitution which requires the holding trustees to be more active, this is by no means essential or an invariable rule.

CTT in divorce settlements

Further to your reply of December 9 under "Giving away a house" can you explain the CTT situation in a divorce settlement. In particular, is CTT applied to any equity in a house and chattels given to a spouse and children by the donor husband/father in the divorce settlement? And what

is the position please, that is CTT and taxwise, in a situation where at the settlement date the equity is not fully paid-up, that is a balance outstanding on a house mortgage, advanced on a life assurance policy (on the life of the proposed donor), does not mature until some years after the divorce settlement? Are there precedents you can cite?

Capital Transfer Tax is not payable on a gift to a spouse. Hence it would not arise on a divorce settlement except where there is a gift to children. It is therefore desirable to ensure that optimum advantage is taken of the exemption between spouses. Rulings in the Court of Appeal on the proper treatment of mortgage repayments in this context have been contradictory; a consensual arrangement for crediting the payments which are to be made in the future is eminently desirable. It is unwise to rely on general precedents as the particular requirements of an individual matrimonial matter are seldom capable of being brought into a general scheme without careful adaptation.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

fixtures and fittings must be reasonably priced. Is he being unduly sensitive? Your solicitor is not being unduly sensitive. Your certificate as to the value of the property, which must be in the conveyance, would be false if the fixtures and fittings are grossly overpriced—leaving you open to the charge of defrauding the revenue.

Dividends in Rhodesia

I have accumulated some dividends in Rhodesia and where I have a blocked bank account on which interest is paid, I have never returned there since I thought I would never get the money. Should I have done so? If I am lucky enough to see the money repatriated to this country, what would be my tax liability? Assuming that you are domiciled in England and Wales (or in Scotland or in Northern Ireland) and ordinarily resident in the UK, your first move must be to report details of the Rhodesian dividends and interest which you have omitted from your tax returns. You should explain what led you to conceal this income and ask to be assessed in accordance with section 418 (2) of the Income and Corporation Taxes Act 1970. If eventually the Rhodesian income ceases to be unremittable (as defined in section 418 (1)), it will be assessed for the years in which it would have been assessed in the normal run of events (taking into account the commencement and cessation rules of case V of schedule D), but its value will be based on the rate of exchange on the day on which it ceased to be unremittable.

Stamp duty on conveyances

In Men and Matters on January 12 under Collecting stamps, it was said that, in order to avoid stamp duty on conveyances of houses worth over £15,000, it is not unknown for people to sell houses for £15,000 complete with stair carpet, also priced at £15,000 which, it was suggested, was illegal. I asked my solicitor to do something of the kind in connection with a property I am thinking of buying in the £25,000 to £30,000 bracket, but he insisted that

A week of siege

MR. TOM CORRIGAN, chairman and chief executive of the Inveresk Group, had the air this week of a man under siege. Certainly there was little to be happy about: the 1978 pre-tax surplus slumped to £509,000 from the previous year's £2,230,000 and the dividend was cut by almost half. Even by the new standards of the paper business, it was a particularly bleak result.

But while share prices tumbled about him, Mr. Corrigan retained a degree of optimism. "It was a set-back of course—but from now on, in the year ahead, we can catch up." The confidence is not misplaced. The company has resilience; indeed it has bounced back from considerably worse positions in the past.

When Mr. Corrigan became Finance Director in the late 1960s, the group was being led by two extremely expensive investments: the Donside mill, which was to produce quality coated papers and was losing

But Mr. Corrigan is the first to admit that the Group's current problems are qualitatively different and demand different solutions. Unlike the 1960s, there is no dead wood to cut away, he claims.

Some of the main difficulties for Inveresk have been on the paper merchandising side of the business which last year accounted for about 40 per cent of turnover. The Inveresk of Inveresk's latest merchandising plans has been the establishment of a new distribution centre to cope with the heavy demand in the London and the South-East—but union action over manning levels at the centre and late deliveries have imposed serious delays on the project.

These problems seem to have been ironed out and Inveresk expects the merchandising sector to return to profitability this year.

Mr. Corrigan maintains that the new extensions will come into operation "very soon"—soon enough certainly to affect this year's profits. This should add an extra 20,000 tons of capacity to the Inveresk's overall capacity of 125,000 tons.

At present, three mills concentrate on producing 60,000 tons of printing and writing paper; three mills have a total 30,000 ton capacity for specialised papers and two additional mills have a total 35,000 ton capacity for packaging boards.

There is a strong bias towards the quality end of the printing market and the stationary division, which accounted for about 15 per cent of turnover last year, is one of the most consistently profitable in the group. The attraction however both of small-run specialised papers and the packaging section is the relative immunity from high-cost raw material imports. An important proportion of the board production, for instance, uses waste paper as the raw material.

Inveresk's paper-making section faces the traditional dilemma of being squeezed between the rising price of pulp and the restricted price of paper. The group raised prices this month but as pulp prices rise again in April, a further increase looks certain before the summer. Mr. Corrigan is very conscious of walking a delicate tightrope between the competitive rates of the Scandinavian and EEC paper-makers and increasing consumer resistance to more price rises.

How can a relatively small company like Inveresk survive the squalls of the paper industry? In the short-term, Inveresk is looking to the continuing success of the stationary section and other small, but profitable, nooks within the group, to the increased capacity of Carron Grove, to more sophisticated distribution and to the extra fillip of the revaluation of the Northfleet Industrial Estates. In the long run there are less accessible solutions, but Mr. Corrigan for one advocates the broadening of the Group's base, to make it as immune as it is possible from market compression.

COMPANY PROFILE

—INVERESK

ROGER BOYES

some £750,000 a year, and a half share in a pulp mill in Louisiana. Some three quarters of the money necessary to start the U.S. mill was borrowed, guaranteed by the two owners, and Inveresk had also borrowed money for a direct investment. These were, in Mr. Corrigan's words, "financial albatrosses," and by 1969 he had shed both of them. Later his management reforms helped in 1972 to turn losses of £737,000 into before tax profits of £814,000.

Gains on shares

Referring to your reply of February 3 under Gains on shares and unit trusts, would you confirm that in most cases, the Bed and Breakfast operation will prove unprofitable, because of the 2½ per cent charge which the Unit Trust Managers make for the sale/repurchase service? You suggested that qualifying gain of £5,758 be realised before April 5, 1979. It seems to me that unless the holder has had the units for a very long time, the service charge will cost him, for example, 2½ per cent x say £40,000 worth of units = £1,000. This would extinguish completely the 17 per cent credit on £5,758 i.e. 2978, which the exercise was designed to achieve, and the CGT payable would not have been alleviated in the current year.

Is there a way of overcoming this disagreeable feature? If you look again at the inquiry

as published on February 3, you will see that the reader was contemplating bed-and-breakfast transactions in investment trust company shares, not authorised unit trust units. The expense of unit trust bed-and-breakfast transactions was featured in the December 23 article to which the reader referred, and consequently our reply was restricted to his specific question about the CGT rules, as we construe them. We find that many of our readers are conversant with the technicalities and expenses of buying and selling shares, etc., but need help in comprehending the CGT laws (at last being consolidated).

The bed-and-breakfasting of unit trust units (otherwise known as The Stock Exchange) must often carry a risk of attack under what will shortly become section 66 of the Capital Gains Tax Act 1979, if the Revenue decided to examine cases closely.

When both bride and groom are earners

MARGINAL tax rates are horrible. Just as bad as the weather. And the knowledge that there is a cabinet minister who accepts responsibility for the excesses in each area gives an extra fillip to the enjoyment we get from discussing them. But there is another delight to these discussions: we do not actually have to understand the subject matter. It is perfectly possible to demand that "they" should simplify the tax system, and reduce the anomalies, without knowing what our demands imply.

At the same time there are those among the Chancellor's advisers who take a positive view that the marginal tax rates, the tax payable on each additional £1 of income, are cunningly and correctly structured to encourage people paying those rates into the desired direction. Where the requirement is simply tax collection, the system achieves it. Where economic activity by particular taxpayers needs stimulation or discouragement, our marginal tax rates produce these results. Or so they say.

Let us look at the incentives and disincentives in an area which we can all agree is highly relevant—that of the working spouse. We must bear in mind that in what follows, husbands and wives are almost interchangeable. Except for the first £985 of a wife's earnings, the system operates evenhandedly

for husband or wife as breadwinner, and wife or husband as the "entitled" to earn more or less.

But let us assume, chauvinistically, that it is the husband whose earnings are the fixed point in our illustration, and that the wife can choose whether or not to go out to work. We will assume that

TAXATION

DAVID WAINMAN

husband's earnings are £7,750, and that he pays mortgage interest of £1,215.

After deduction of the married man's allowance of £1,535, his taxable income is £5,000, and he pays tax as follows:

£ 750 at 25%	£ 187.50
4,250 at 33%	1,402.50
£5,000	£1,590.00

His marginal rate of tax is 33 per cent and this rate would continue to apply on the next £3,000 of his earnings, were he able to boost his salary by that amount.

But if he stands still on a salary of £7,750, and sends his wife out to work, her earnings will be taxed as follows:

First £ 985 free of tax	£
Next 750 at 25%	187.50
Next 2,250 at 33%	742.50
Subtot. £3,985	£930.00

The explanation of these figures is probably reasonably well known. Nine hundred and eighty-five pounds is freed from liability by the "wife's earned income relief," as it is popularly known. Thereafter, the wife is entitled to pay at the reduced rate of 25 per cent on £750.

This £750 eats into the basic rate band: the first £3,000 of the husband's and wife's joint taxable income is taxable at 33 per cent, except to the extent that that 33 per cent is reduced to 25 per cent on £750 or on £1,500. (That is not the same thing as allowing the joint income to cross the threshold from 33 per cent to 40 per cent at £8,750.) Then, if the wife boosts her earnings, the marginal rates applying are:

Earnings as before	3,985
Next 1,000 at 45%	450
Next 1,000 at 46%	460
Sub total	5,985

and after that she would be taxable at 50 per cent on the next £1,000.

She would be taxable at 50 per cent were she not better advised to elect for separate taxation. If she and her husband do so, he is then taxed on his earnings (and on the joint investment income if any), as if he were single. Reducing his married man's allowance from £1,535 to its single equivalent of £985, means that he pays tax on an extra £550 at his marginal rate of 33 per cent. This extra tax is £182.

But thereafter, she has her own full "basic rate band" up to a taxable income of £8,000. Comparing this with the joint assessment position set out above, it is clear that separate taxation of her earnings of £5,985, will move £1,000 from the 45 per cent rate to 33 per cent and another £1,000 from 40 per cent to 33 per cent. This saving, of £190, is marginally greater than the extra tax suffered by her husband. The break-even point, at which the election becomes opportune is in fact some £70 below the top of her 45 per cent rate band.

It is also clear that her marginal rate has now dropped to 33 per cent from the 45 per cent which applied on the £1,000 of earnings up to £5,985. And that the former rate will continue to apply if she can increase her earnings by £3,000. Moreover, that it will also apply to the husband if he can boost his earnings by another £2,450. (His taxable income went up by

£550 to £5,550 three-paragraphs ago; remember?)

But it is the wife's marginal rates we have been concentrating on—

£	£	£	%
0 - 985	marginal rate	zero	25
986 - 1,735		25	25
1,736 - 2,985		33	33
2,986 - 4,985		40	40
4,986 - 5,985 (approx.)		45	45
5,986 - 8,985		50	50

Obviously this is the pattern chosen by the Chancellor and fully supported by those who vote for him in Parliament and in general elections. If you wonder whether they need their eyes testing, the answer is that keeping one eye on macro-economic requirements, and the other on micro, is bound to induce squinting.

Can one defend the pattern at all? Can one even assume that working wives and husbands understand it? Or must one conclude that those who designed the system were two-faced rather than squinting? The answer to

the last question, for those with a memory for mythology, is yes.

Janus, god of doorways and thresholds, is always depicted facing both ways. And thresholds are just what our marginal rates are all about.

If you want to have reliefs built into the system, there must always be a threshold out of relief into taxability. If you want alternative bases of taxation (joint taxation and separate), there will be a threshold over which taxpayers must step from one to the other. The floor level on the other side cannot ever be the same, and it will sometimes even slope in a different direction.

You are entirely at liberty to redesign the thresholds, and to suggest to the Chancellor that he scraps his own and adopts yours. If you want to, you can design a tax system, unrelieved and uniform, which has no need of thresholds. But do not criticise thresholds, for being thresholds.

April 5
FAMILY BONDS
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The days are ticking by until 5th April. If you invest before that date, you will be able to enjoy an added tax advantage. Act now—fill in the coupon below and please use a 9p stamp in your own interest.

The Family Bond is a unique way of investing in Government stocks and equities, free of income and capital gains taxes. It is a unit-linked investment, with life cover, available only to married men and women with dependent children.

If you would like further details—and to hear why you must act before 5th April—complete the coupon now.

Julian Gibbs Associates Limited
9 Manchester Square, London W1M 5AB, or Tel: 01-487-4495
Please send me details of the Family Bond.

Name: _____
Address: _____
Tel: Day _____ Home _____
Tax Rate: _____ Date of Birth: _____

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Pre-tax profit	£100,000
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CONCLUSION:
Of every £100,000 of profit earned, only £1,433—less than 1½%—is available for you, the owners of the business, to spend.

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City of Westminster Assurance, however, has based both its Self-Employed and Director's Pension Plans on the premise that the individual comes first. Freedom of choice is a key factor in both these contracts, allowing investors real flexibility about the way they invest and subsequently draw their benefits.

Ask your broker for details of whichever plan is appropriate for you. And bear in mind that City of Westminster has an excellent long-term investment record backed up by a special reputation for original thinking in the field of pensions and life assurance.

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£1,000 invested in Target Commodity Fund when it was formed on 1st September, 1975, would today be worth £2,024 at the current offer price of units, an increase of 102% beating the F.T. Actuaries All-Share Index handsomely which rose by 81% over the same period.

Further more as the graph opposite shows an investment in the fund at that date has consistently retained its real value as measured by the Retail Price Index.

Excellent prospects.
The Managers believe that the major commodities will continue to retain their real values over the years and that by experienced management a positive return can be achieved notwithstanding the devaluation of individual currencies and general world inflation.

Aim and policy.
The fund aims to achieve real capital appreciation and invests in a wide spread of shares of companies which produce, distribute and trade in commodities and natural resources all over the world. This policy reduces the risk of investing in what can be, by themselves, volatile sections of the market. The portfolio is currently concentrated on plantation shares of companies predominantly located in South East Asia, an area which the Managers believe to have vast potential in the medium to long term by virtue of its wealth of raw materials and natural resources.

Remember the price of units and the income from them can go down as well as up.

You should regard your investment as long term.

Offer of units at 49p each until 30th March 1979.

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Target House, Gresham Street, London EC2A 3PU. Tel: 0753 8581.

Applications and cheques will not be acknowledged until the offer ends on 30th March 1979. After the close of the offer units will be available at the full price of 50p. Units may be sold at the full price of 50p from 1st January 1980. An initial charge of 5% is included in the sale price of units. The Managers will pay commission of 1% on the net proceeds of the sale of units. THE MANAGERS reserve the right to close the offer before the date stated if the offer price rises by more than 20%.

TERMINATE: Midland Bank Trust Company Ltd. MANAGERS: Target Trust Managers Limited (a Member of the City of Westminster Assurance Group) Registered in England No. 847546 at Target House, Gresham Street, London EC2A 3PU.

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YOUR SAVINGS AND INVESTMENTS 2

Companies will be soon inundating investors with annual reports. Barry Riley looks at how two giant groups have taken contrasting approaches to this spring ritual

Are you sitting comfortably?

SHAREHOLDERS receiving the annual report of Barclays Bank last week were surprised to find that the normally sombre document had swollen into a lush production featuring, among much else, colour pictures of a teddy bear, a flock of sheep and a box of Mexican tomatoes. There could hardly be a sharper contrast with the meagre booklet sent out recently by Imperial Group, which actually went so far as to boast about its meanness. Many shareholders have expressed approval in previous years of the company's decision to reduce the cost of producing the annual report, commented Imps, adding that economies in producing the interim and annual reports would total more than £100,000 in 1978. Company boards and their public relations advisers have long debated the subject of annual reports. One school of thought maintains that the report is an ideal opportunity to communicate to shareholders and to develop a corporate image. Others think that 90 per cent of annual reports are consigned straight to the waste paper bin, unread and unwritten. Do shareholders want to be presented with a stream of glossy multicoloured bluffs, or would they be content with the odd postcard or leaflet which is probably all they would be sent by a life insurance company in which they might also have a substantial investment? This week the Financial Times published a survey of 100 major European companies which gives an idea of how the problem is tackled by major groups both in the UK and on the Continent. It emerges that British companies produce by far the skimpiest reports. The average size of UK annual reports turned out to be 35 pages, whereas Dutch reports weighed in at 50 pages and an average 70 pages thudded on to German doormats. The biggest reports of all were Italian—Fiat's ran to 175 pages. One obvious reason for this is that big British companies, despite the decline of the private investor, still have large registers of shareholders. Imps, for instance, sends out over 200,000 copies of its annual report, which makes it an expensive operation. On the Continent, not only are investors usually fewer but they often hold shares in bearer form, which means they cannot easily be sent company material. So annual reports take on more of the nature of annual public relations brochures for outsiders. In the UK, companies are compelled by law to send each shareholder an annual report containing statutory information. With successive Companies Acts this has come to include not just profit and loss accounts and balance sheets, but a wealth of data on subjects like directors' shareholdings, and donations to charity. The accounting profession has chipped in with demands for extra statements on the source and use of funds, and inflation adjusted figures, and a great deal more besides. It is widely thought that the average shareholder cannot make head or tail of most of this. Quite a few companies have experimented with the production of simplified accounts, sometimes aimed also at their employees. Of course, companies still have to comply with the law and circulate the statutory accounts to shareholders. But companies like BP and Lucas Industries, for example, have experimented with separate glossy documents which leave out the small print but put over the company's message in what the graphic designers hope is a more effective way. There are suggestions that this process should be taken further. A research committee of the English Institute of Chartered Accountants has been examining the question of whether a simplified version of the annual report would be good enough to send out to shareholders in the normal way. The complete annual report could then be reserved for those who really wanted it, like institutional shareholders, City analysts and, no doubt, competitors. With this system the full report could become a great deal more exhaustive and technical without the penalty of vast printing and postage bills. A study just completed for the accountants' research com-

The Vanbrugh Investment Portfolio has been designed to meet the special needs of private investors with funds in excess of £25,000... investors who demand a greater degree of service, communication and personal attention than is commonly provided today.

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Endowment pointers

IF YOU are planning to save through a traditional with-profits endowment, be careful which company you choose. This is the first lesson to be gleaned from the latest life policy performance tables published in this week's Economist. Investors who have been paying out £100 every year (before tax relief) for the last 25 years would have received £7,386 from the Norwich Union when the contract matured earlier this year, but only £4,699 from the records usually make the best surrender value payments, at least if you are cashing-in towards the end of the term of the policy. The Ecclesiastical comes out best for payments after 10 years on a 15-year policy.

Another pointer for would-be policyholders is that mutual companies, where the policyholder gets all the profits, generally do better than proprietary companies, where the shareholders get a slice, albeit small, of the cake. Only Equity and Law and Guardian Royal Exchange get into the top five on past performance in the three categories in the full Economist tables.

SAVINGS ERIC SHORT

Phoenix. A gap of one-third between top and bottom performers shows how useless it is to pick a life company with the proverbial pin.

Over 40 years, the Scottish Widows emerges as top dog paying £19,887 on a whole life policy where death has just occurred. That is twice as much as the £9,900 the Phoenix would pay.

As the oldest and most comprehensive regular check on life policy performance, The Economist's tables have been a useful aid to generations of savers. The magazine's findings for some of the main policy types are reproduced on the right.

Another lesson is that the companies with the best bonus

appear in the top places for future projections while coming nowhere on past performance. This indicates improved bonus rates recently that have not worked through on past performance. A poorish bonus of many years ago remains a scar for several years.

But future bonus projections need to be interpreted with care. Although bonus rates have not been cut since the Second World War, their level is not guaranteed.

The introduction of terminal bonuses confuses the picture. The Scottish companies do not include terminal bonuses in their official projections. And they are trying to get other life companies to do the same.

Some English companies, notably Norwich Union and Equitable Life, regard the terminal bonus as part and parcel of the bonus system. In the case of both these companies, the terminal bonus is a significant part of the overall maturity value.

But it does make comparison difficult. The insurance broker needs to check how stable a company's terminal bonuses have been over the years.

Over the years, The Economist's tables have consistently pointed to about a dozen companies as good bets. But the ranking within this group changes with each survey and spotting which of these companies will top the past performance tables 10 or 25 years from now is not easy. You probably do need that pin after all—to pick your runner from among this dozen.

WITH-PROFITS ENDOWMENT POLICIES: THE FAST AND THE FUTURE

Table with columns: 25-year endowment policy maturing 1979, 15-year endowment policy started in 1959 surrendered in 1979, Sum insured, Maturity value (excluding terminal bonus except where asterisked), Pay-out excluding terminal bonus. Lists various companies like Clerical Medical & General, Commercial Union, etc.

Source: The Economist

9.2% p.a. net - Guaranteed. £1,000 grows to £1,553 in 5 years. Flexibility and Security.

With interest rates falling sharply now is the time to take advantage of this. This 1979 Bond is issued by the Scottish Equitable Life (assets in excess of £300 million), through Johnson Fry & Co. Ltd. and the offer is strictly limited.

- * Availability and investment To age 75 next birthday. £4,000 min., £100,000 max. No medical evidence required.
- * 9.2% p.a. guaranteed for 5 years Scottish Equitable guarantee the Bond will grow at this rate.
- * Tax free withdrawals For Bonds of £10,000 or more the Bondholder may withdraw 5% of his investment annually tax free.

9.2% p.a. guaranteed for five years The Scottish Equitable's Bond is a single premium policy with guaranteed additions at the rate of 9.2% per annum compounded over the first 5 years. In this way your capital grows with absolute security.

Flexible maturity The Bond offers considerable flexibility in that the Bondholder is not compelled to cash the Bond after 5 years. Bearing in mind that there may be a liability to higher rate tax and investment income surcharge on the proceeds (see below), the significance of this flexibility is that the Bondholder may defer maturing the Bond until his personal tax situation eases sufficiently to possibly reduce (or even extinguish) any tax liability. The Bond may continue to force until death.

If the Bond is not cashed on the 5th policy anniversary it participates in the profits of Scottish Equitable by way of Special Bonus. The rate of Special Bonus will be determined with regard to the rate of interest available on monies on deposit and will accrue on a day-to-day basis. The Bondholder may cash his investment, either in total or in stages, at any time after 5 years.

Tax free withdrawals Provided the Bondholder has invested £10,000 or more, he will have the option to withdraw up to 5% of his initial investment on each of the first 5 policy anniversaries. Any of the withdrawal option which is unused may be carried forward. After 5 years the Bondholder may continue to withdraw money on the flexible basis outlined above.

Withdrawals may be made without there being any liability to tax at that time (in effect these are treated as withdrawals of capital). The allowed withdrawal is cumulative up to a total of 25% after 20 years. If in any year the amount withdrawn exceeds 5% plus unused allowances, that part of the withdrawal may be liable to tax.

Tax relief at maturity The Bond proceeds are completely free of capital gains tax and basic rate income tax. Higher rate taxpayers and those paying the investment income surcharge may incur liability to tax, but at a reduced rate through the operation of "top-slicing relief".

Table with 4 columns: TOP RATE OF TAX, Net Maturity Value, Net Yield, GROSS EQUIVALENT YIELD. Rows for 33%, 50%, 70% tax rates.

This relief means that the Bond is particularly attractive to higher rate taxpayers. The table above illustrates the net yield after 5 years to Bondholders at different marginal rates of tax (including investment income surcharge, along with the gross equivalent yield each would require from personal investments in order to equal the return on the Bond.

Comparison with other investments 3% Taxpayer This Bond provides a higher yield than National Savings 18th Issue (6.45%), Building Society 4 Year Bonds can offer 9.5%. But this is variable and alters with Building Society rates, and they are inflexible arrangements. 7% Taxpayer This Bond provides a better return than short dated 5 year Gilts (5.6% net redemption yield for Exchange 3% 1983).

N.B. This investment does not involve Life Assurance Relief with its restrictions on amount of investment and medical underwriting requirements. Johnson Fry & Co. Ltd. believe this to be the most attractive Bond on offer combining fixed high yield, complete security and flexibility.

Life assurance benefit On death, your initial investment plus accrued bonuses are returned.

Early surrender The surrender value of the Bond within the first 5 years is currently 90% of the initial investment plus interest at 7% per annum, this amount being reduced by a factor to allow for gilt depreciation.

How to invest Simply complete the proposal form below and send it to: C.A. Fry, M.A., A.C.I.L., Johnson Fry & Co. Ltd., 54 Grosvenor Street, London W1X 9FH. Together with your cheque made payable to 'Scottish Equitable Life (I.F. offer)'. The bond document will be issued in due course. No evidence of health is required.

THIS OFFER IS STRICTLY LIMITED AND MAY BE WITHDRAWN AT ANY TIME WITHOUT NOTICE. A telephone call to Charles Fry on 01-499 5066/9 will receive funds against future payment.

PROPOSAL FOR SCOTTISH EQUITABLE BOND (1979 ISSUE) Name in full (MR/MISS/MS), Address, Date of Birth, I WISH TO INVEST £... (Minimum £4,000, maximum £100,000) and I enclose a cheque in payment of the premium. 5% WITHDRAWAL OPTION (available only if you are investing £10,000 or more. Please arrange for 5% of the initial investment to be withdrawn yearly from the policy anniversary. If not required.) I declare that the above information is correct and I agree that this proposal shall be the basis of the contract between me and the Scottish Equitable Life Assurance Society, of which I desire to become a member. I am a resident of the United Kingdom. Signature, Date

Johnson Fry & Co. Ltd. Equitable Society. 54 Grosvenor St, London W1X 9FH. Telephone: 01-499 5066/9.

Old plans are dusted off

THE QUEBEC Government feels the mining situation around the world is better than a year ago. Now would be a good time to start, said an official in Montreal this week. He was talking about the Detour base metals project in the north-west of the province. Seleo Mining, a subsidiary of Selection Trust of London, has a 50 per cent stake in Detour and has been completing technical studies for future mining. It has not put together a financial package to fund the development, but a decision to work on rehabilitating the Grand-cote copper mine in northern British Columbia and plans to invest \$20m (£8.4m) in the re-opening. Grand-cote was operated by Newmont Mining of the U.S. until last year, when it closed because of low metal prices. Imperial is very active in Canada. It opens a lead-zinc mine in Nova Scotia later this year. It is involved with Denison Mines at the Quietette metallurgical coal venture in British Columbia. It is the operator at Midwest Lake, one of the most promising of the Saskatchewan uranium discoveries. This spread of activities illustrates the way in which major oil groups with ample cash resources have diversified into minerals, especially during the years of mining industry recession. They bought stakes in large mining groups, they entered joint ventures and they started grass-roots exploration. At the end of 1978, British Petroleum set up BP Minerals as a vehicle to move into the base metals industry. One of the new company's first deals was to join Western Mining Corporation in exploring the Benambra prospect in the Australian state of Victoria by taking a 9 per cent stake. The first indication that Benambra might be a commercial deposit came last May when drilling tests revealed ore with a high grade of copper and quantities of zinc lead and silver. This week, the joint venturers disclosed that there are in fact two orebodies at Benambra. Although the early results from the second orebody do not have such high metal grades as those announced last year from the first, they are comfortably higher than those frequently mined commercially in the large open-pit operations of Arizona. Much work needs to be done to decide whether Benambra is worth bringing to production, but the assay results so far justify the interest of BP Minerals and provide it with a first exploration success. Western Mining has been adroit in gaining access to the funds of oil groups, as its agreement with Exxon for the Yelline uranium development in Western Australia showed, and protected by Australian foreign investment regulations, has not been prey to a takeover. With out such protection, Amax in the U.S. last year fought off an unwelcome bid from Standard Oil of California. Part of Amax's defence was that the bid was too low and it sought to emphasise its potential for earnings growth. Now, Mr. Pierre Gousseland, chairman, has stated that another record year is likely in 1979. This affirms earlier predictions, based on the continuing high demand for molybdenum, the staple contributor to group revenue. Looking at U.S. economic indicators, Mr. Gousseland predicts that any possible downturn in the economy could be cushioned by a forecast pick-up in business activity abroad which would bolster exports. Turning to specific metals, he notes that the demand for lead is strong and that although there is an over-supply of zinc, the long-term prospects are encouraging. Such an assessment may be of some solace to Tara Exploration and Development, the largely Canadian owned company which is working the largest zinc and lead deposits in Europe at Navan, north of Dublin. After its first full year of operations at Navan, Tara ended with a loss, after taxes and extraordinary items, of \$5.2m. Not only were there difficulties in building up production, but a strike in the third quarter deprived the mine of some of the benefits of firming metal prices. The Tara results made little impact on the share markets, where mining issues have been overshadowed by the movements among domestic industrial equities. Australians were the main focus of such activity as took place. All prices have been affected by the fall in the investment dollar premium. There was some buying of marginal gold mines, because of the steadiness of the bullion price, to which they are sensitive because of their gearing, but the Gold Miners Index declined over the week from 169.7 to 161.7. The ex-premium index, however, was little changed.

MINING PAUL CHEERSIGHT

go ahead could come within the next few months. Mining companies, with or without official urging, are pulling expansion plans out of the files and looking around for new acquisitions. With certain types of copper in short supply, the London Metal Exchange price over £1,000 a tonne and some U.S. producers charging over \$1.00 a lb, cash flow problems have receded. Opportunities for growth are more readily apparent. One has been seized by Noranda Mines of Toronto, which is taking over the Lakeshore copper mine in Arizona. Lakeshore, once a joint venture between Hecla Mining and El Paso Natural Gas, closed in 1977 and its leasing arrangement with the Papago Indians, on whose land the mine is situated, was dropped last year. Noranda intends to resume limited production at Lakeshore within six months. It is a measure of the copper industry's revived confidence that the announcement of this plan is the third in the last month related to re-opening plants in Arizona. Cyprus Mines is to re-open the Pima mine and Daval Corporation plans to start work again at Esperanza. And such moves have a parallel in Canada. McEldine Mines, which is part of the McIntyre great metal Exchange, is likely that its mine and concentrator in the Gaspe district of Quebec will re-open in July after closing at the end of 1978. This summer, Imperial Oil, a subsidiary of Exxon, will start

TIN OUTPUTS COMPARED

Table with columns: Country, 1979, 1978, Total to date (months), Same period previous year. Lists countries like Amal. of Nigeria, Amal. of Nigeria (columbite), Aokam, Ayer Hitam, Benambra, Bisich Jantar (Hn), Bisich Jantar (columbite), CRM Sari Trimah, Ex Lands Nigeria, Geveori, Gold and Base (tin), Gopeng, Idris, Kamsunting, Kluang, Kinta Kellas, Kuala Kampar, Lower Perak, Malayan, Pahang, Pengkalen, Petaling, Rakhman, St Piran - Far East, St Piran - UK (South Crofty), St Piran - Thailand, Southern Kinta, Southern Malayan, Sungai Beal, Tanjong, Tongkah Harbour, Trosob.

* Figures include low-grade material. † Not yet available. Outputs are shown in metric tonnes of tin concentrates.

مکان من الاجم

PROPERTY

Along the Dover road

BY JUNE FIELD

THOUGH I have often had a satisfactory pre-Channel breakfast at the Dover Hotel near the Eastern Dock, it took the recent C television series *Telford's* to point up the attractiveness of the town itself.

It has brought the desirability of Dover to the attention of us, too. At the tourist information office at the Town Hall they told me that they are going to get an influx of tourists this summer with the excellent publicity generated by the tale of a high-ranking bank cutie's escape from the big rat-race to the comparative m of the local branch. (I am sure that it must have helped recruitment as well — no problem for the new bank clerk getting a loan to buy a boat, only have to ask, and what opportunities for advancement as demonstrated by the dy assistant manager and morous manager's clerk?)

State agents too are expected that the programme will up inquiries, certainly for and retirement homes, though as Mr. J. C. Burnham, in in agents James B. son and Son, confided: "When I first watched the programme I thought it indicated Dover must be the last place on earth in which to live, advantages of the area only over to later episodes."

aturally the port dominates town. Dover handles more sea traffic between UK and Europe than all the

British ports put together—it is claimed that in excess of 8m passengers travel on some 38,000 ferries which cross every year between the five Continental ports of Boulogne, Calais, Dunkirk, Ostend and Zeebrugge. The Dover Harbour Board, a statutory non-profit making organisation with a Royal Charter dating back to 1806, plans to open two new two-tier double-width ferry berths at the Eastern Dock Car Ferry Terminal in the spring of next year, bringing the number there to seven, and the world's largest hovercraft operates from the new Western Docks.

Even when there is a recession in the national economy states the Kent Structure Plan, the port provides the main source of employment for the town. And now that the Channel Tunnel project will not be implemented in the foreseeable future, continued expansion seems assured. But the planners realise that it is a mistake to put all their eggs in one basket, and that dependence on just a few main employers and types of employment is a cause for concern, and every effort is being made to attract new manufacturing and service industry.

There is so much to do in Dover and district on the leisure front that I can't think why the bank man's wife Sylvia should have made such a fuss about staying among the fleas of London. There is a circle for writers and wine, a school for

windsurfing, a Beekeeper's Association, Indian Dance Group, clubs for skateboarding, hang-gliding, squash, skittles, karate and judo, as well as a section of the Women's Liberation Movement. (For a free list of organisations, plus a list of agents who belong to the Dover Estate Agents' Association write to B. L. J. Woods, Director for Leisure and Recreation, Town Hall, Dover, Kent, who will also send a copy of the Dover Deal and Sandwich Guide for 25p, post free.)

With such swift and easy access to the Continent — by Seaspeed Hovercraft, Calais is about 30 minutes, Boulogne some 5 minutes more — overseas interest naturally affects the East Kent market to some degree. Said one agent: "In particular, properties with a reasonable amount of land appear to attract, placing a wholly inflationary figure on land. For example, a property in, say, its own modest grounds at £30,000, would probably make £40,000 or more if it included 3 acres."

At Ashdens, 47, Castle Street, Dover, a negotiator explained: "In common with other areas, the general property situation in Dover and district is that there are too many applicants chasing too few properties. Clearly this is affecting the price structure in the popular bracket, which in this area embraces modernised terrace houses for the first-time purchaser at £9,000-£10,000, three-bedroom semi-detached



The Georgian River House, near Dover, in a large garden, with various stable buildings, has 5 bedrooms, 2 bathrooms, 2 living-rooms and a study, and is on offer at £52,000 through John Hogbin and Son, 15 Cattle Market, Sandwich, Kent.

houses £18,000-£20,000, and four-bedroom detached houses in the £20,000-£30,000 range.

"A typical example of an increase in value is that of a detached house sold in September, 1977, for £16,950, which re-sold in September last year for £19,500. The sale was subject to the owner finding an alternative property in the Home Counties. Due to delay in finding this, the owner has been compelled to increase his asking figure to £21,000, and the proposed purchaser would still be happy to proceed at that figure."

"There is little doubt that the current difficulties in the property market stem largely from one principal factor, and that is the lamentable lack of new building. Past legislation has so confused the tax situation as to frighten the would-be developer who cannot necessarily afford the services of a harrier to interpret the existing laws regarding development land tax etc. In addition, there is evidence that in cases where a developer owns building land, planning authorities are taking too long in announcing decisions regarding outline and detailed consent."

On offer recently through Ashdens, which also has offices in Ashford, Canterbury, Lynton, Maidstone and Sittingbourne, is Ropersole Farm, Barham, a four-bedroom, three-living-room house in just under three acres, with numerous out-buildings, garaging and stabling, £55,000.

Chris Burnham, at James B. Terson (their office at 27-29 Castle Street, Dover, is open until 4 pm on Saturday after-



The two-bedroom Rose Cottage, West Street, Finglesham, about 4 miles equidistant from Deal and Sandwich, being offered at £34,000 by John Hogbin and Son, 15 Cattle Market, Sandwich, Kent, is in a 3-acre garden with a swimming pool.

noon) also told me: "Our register is continuing to steadily diminish, but fortunately we are still receiving instructions to take on properties at a steady rate, albeit that in the majority of instances they are sold very quickly."

Terson and Son have a selection of charming country cottages not dissimilar to the one Mark Telford was living in. (I can't remember whether he was supposed to have bought or rented it, but even with MLR high and no tax allowance as he already had a main residence, I would have thought it was worth purchasing.) Suitable for a second home or retirement was a two-bedroom and cottage in a pretty unspoilt village, with very attractive scenery all through the Alkham

Valley, 4 1/2 miles equidistant from Dover and Folkestone. The property was formerly the village school dating back to the mid-1800s, which some 18 months ago was converted to three cottages, and it is the middle one that was on offer for £24,950. For £12,500 there was a two-bedroom semi-detached brick and flint cottage in Wadlington, about four miles from the A2 trunk road. Ember Cottage, Dover Road, Guston, about two miles from the town (no problem commuting to the bank), is believed to be about 300 years old with modern additions, full quota of beamed ceilings and inglenook fireplaces, three bedrooms, and a study for a busy manager who feels he must bring work home with him. Price £18,000.



ngleton Manor, Woodnesborough, 10 miles from Dover, dates back to the 18th century, and is listed grade II. There are 7 bedrooms, 3 bathrooms, 4 living rooms and the grounds extend to about 15 acres which include a cottage, copse and paddock. Offers are being invited by the agents John Hogbin and Son, 15 Cattle Market, Sandwich, and Strutt and Parker, 29 St. Margaret's Street, Canterbury.

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LEISURE

Success with allegedly tricky subjects in not exclusive to professionals

Orchid champs

LAST WEEK'S London exhibition by the British Orchid Growers Association was quite the best I have seen and though this is very largely a professional body for once it was an amateur, or more accurately two amateurs, who stole the show. One of them I confess I had never heard of previously and others from whom I sought information seemed to be equally in the dark but it is quite clear that we are going to hear a lot about Mrs. Gloria Cotton in the future.

GARDENING

and imagination. She was declared the amateur champion of the show and for my money could just as well have been declared the outright champion. Her plants were not only superbly well grown and displayed but they covered a wide cross section of the more spectacular species and hybrids including not only the lovely, but perhaps too familiar, cymbidiums but also paphiopedilums, lysichiton, octiloglossum, papilionidiums and many more. Some plants were very large and well flowered, a feat which is by no means easy to achieve with orchids.

In fact the only exhibitor who seemed seriously to rival Mrs. Cotton for big multi-flowered plants was another amateur, this time a very familiar exhibitor at Westminster shows, Mr. Eric Young of Jersey in the Channel Islands. His cymbidiums were immense and full of bloom in perfect condition and they were shown in competitive classes which require the exhibitor to stand his pots on staging with none of the artifices of display which Mrs. Cotton used so effectively.



Mrs. Gloria Cotton: an extra touch in her cultivation of orchids is the giving of a regular dose of BSC Radio Two.

Everybody who knows about them claims that most are not difficult to grow, though all will immediately qualify that encouraging statement by adding that their cultivation is quite different from that of most other plants. For that reason they are not good mixers, not just because they require different climatic conditions: more moisture in the air, more reliably controlled temperatures, more broken light and so on, but also because all the techniques of potting, watering and feeding are more or less peculiar to them.

The fickle wheel of fortune

JACKSONVILLE, Florida — Golf's extraordinary fickle and unpredictable wheel of fortune has turned full circle in the past week for at least two players competing in the world's richest tournament here at treacherous Sawgrass, the \$440,000 Tournament Players' Championship.

Last Sunday Mark McCumber, a chunky little 27-year-old native of this city, ended five years of largely fruitless golfing activity by winning the Doral Eastern Open in thrilling fashion in Miami while the great Jack Nicklaus was posting his 10th successive score of par or worse to languish in 78th place on the money list, his worst start in any season in his illustrious, 17-year-long professional career.

But yesterday, just when the last rites were being called for Nicklaus, who has won this prestigious event three times in its five-year history, and is the defending champion, he came back with a vengeance, winning the first round of 67 that silenced even the most cynical of his critics. Six of these, all professionals with a reputation for their teaching

GOLF

BEN WRIGHT

proves, told me they could put Nicklaus right in a matter of minutes — if only the stubborn so-and-so would have the good sense to ask them and pay handsomely for the privilege. In the various opinions of these wise men Nicklaus had dangerously narrowed his stance, was holding his hands too low, was coming across the line on the down swing, was spinning out at impact and, believe it or not, was not holding any putts because he is too vain to wear spectacles.

All the time Nicklaus, who practised with his good friend Steve Melnyk on Wednesday against Arnold Palmer and Gary Player, protested, as Melnyk told me "that he is hitting the ball possibly better than ever, but putting as badly as ever." The critics rubbed their hands with glee when Nicklaus came to the last tee on Sunday two under par, and not only dunked his drive, but also his third shot with the water that runs all the way down the left-hand side of Doral's famous 18th hole. Only a sizeable putt that obligingly dropped into the hole for a six forced a wry smile from the greatest golfer of all-time as

his sorry sequence of failure to beat-par was maintained. Lee Trevino, best summed up the situation when, on the eve of this championship, he declared with customary wit: "Let him sleep. You know what happens when you awaken a bear before he's ready? He goes crazy." Surely enough, the Golden Bear is now the red hot favourite to win this event for an astonishing fourth time in six years. And with bad weather forecast for the weekend few will bet against that eventuality.

Nicklaus has started slowly this year for the simple reason that he has hardly played the game at all during the winter. After an 11th place tie in the season's peak opener, the Bob Hope Desert Classic early in January, Nicklaus did not compete again for nearly two months. In the past three weeks he has finished tied for 30th in the Ray Hill Citrus Classic for \$6 in the Jackie Gleason Inverrary Classic and for 53rd in the Doral Eastern open. Let's face it — in his 40th year there are now aches and pains with which to contend — and I suspect Nicklaus himself might admit golf does not come quite so easily to him any more.

It has never come easily to McCumber. But anyone who has the courage to return to the PGA Tour School no less than six times to try to win his player's card, and fails five times, surely deserves success eventually. Of course golf does not work that way, and



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CHESS/BRIDGE/HOW TO SPEND IT 1

by Lucia van der Post

CHESS

LEONARD BARDEN

two games give an idea of the opportunities for quick tactical wins against hesitant black defence.

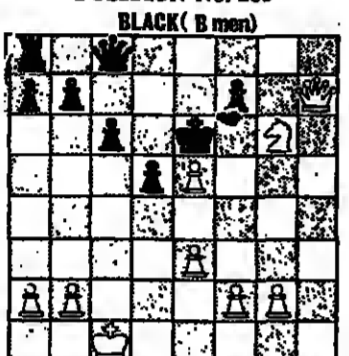
White: Chiburdanidze. Black: Andronica (Tbilisi 1973).

1 P-K4, P-Q4; 2 P-QB3, N-KB3; 3 P-K3, N-Q4; 4 P-Q4, P-P; 5 P-P, P-Q3; 6 N-K3; N-QB3; 7 N-B3, N-N3; (P-K3) should be played first; 8 E-N5, P-P; 9 P-Q5, P-K5; 10 N-N5 (10 P-P may be still better), N-K4; 11 N-KP, Q-B2 (P-K3) so that if 12 P-Q6, P-KB4 is harder for White); 12 Q-Q4, B-Q2; 13 B-B3, P-B3; 14 P-Q6, Q-B3; 15 P-P, B-P; 16 B-B, K-B; 17 Q-N4 ch, K-B2; 18 P-KB4, KR-K1 (expecting to regain the sacrificed piece); 19 P-N, R-P; 20 Q-O-O; R-N; 21 R-B ch, K-K1; 22 R-K7 ch; Resigns. If R-R; 23 B-N5. Maia Chiburdanidze, now world woman champion, won this game at age 12.

White: Lem-zhko. Black: Bilunova (Oradja 1975).

1 P-K4, P-Q4; 2 P-QB3, N-KB3; 3 P-K3, N-Q4; 4 P-Q4, P-P; 5 P-P, P-Q3; 6 N-K3; N-QB3, N-N3; 7 P-N, P-Q3; 8 N-B3, N-B3; 9 P-Q3, P-P; 10 P-P, B-R2 (if Q-R4; 11 Q-O with good play for a pawn); 11 Q-B2, Q-B2; 12 B-KB4, P-KR3; 13 Q-O, Q-O; 14 Q-K3, B-B4 (trying to castle KR, which cannot be played at once because of 15 Q-K4); 15 N-Q2, N-K2; 16 N-K4, N-Q4; 17 B-N3, Q-O; 18 N-B6 ch (now Black finds that if P-N; 19 P-P threatens both Q-N4 ch and BxQ); K-R1; 19 N-N, resigns.

POSITION No. 260



WHITE (9 men)

Hollis (Britain) v. Jovicic (Yugoslavia), world postal chess olympiad 1978. Adrian Hollis (white to move), one of Britain's two postal grandmasters, made the modest investment of rook for knight and pawn to reach this fine attacking position with the black king stranded in the centre. Two strong moves now forced Black to resign. What were they?

PROBLEM No. 260



WHITE (10 men)

White mates in two moves, against any defence (by V. Antoshin). Solutions, Page 11

BRIDGE

E. P. C. COTTER

THE HANDS in last week's Charity Cup were excellent, far better than those we played last year. I was partnered by Judy Steelman, and her good bidding and play helped us to the North-South top score in our local heat at Roehampton Club. She played this first hand of the evening from the South seat:

N. S. E. W. ♠ A 8 5 ♠ Q 4 ♠ J 10 9 7 ♠ J 10 ♠ A J 10 ♠ A J 10 ♠ K 5 ♠ K 5 ♠ Q 8 7 6 3 ♠ Q 8 4 ♠ 6 ♠ A 10 7 6 3 ♠ K ♠ A K ♠ K 7 5 3 2 ♠ J 9 8 2 ♠ K 5 ♠ A 8 5 3 2 ♠ Q 4 2 ♠ K 5 4 3 2 ♠ J 10 3 7 ♠ K J 9 6 ♠ A 10 ♠ J 3 ♠ K J 9 6 ♠ Q 9 6 ♠ Q 7 4 ♠ A 7

South bid one spade, North said two hearts, and South's three no trumps concluded the auction.

I led the diamond six, East dropped the two, and the King won. The declarer played the heart King, which I naturally ducked, and then a club to the Ace, returning the heart Queen. I won, and led another diamond to clear my suit.

Winning with the Ace, South realised that the only hope of making the contract was to drop the club Queen, so he played the King. When the Queen did not drop, he played a low spade to the table, but unfortunately for him my partner won, and cashed two club tricks before returning a diamond. When the smoke cleared away, the contract was three down.

If the declarer guesses the club Knave at trick three, which is a reasonable line of play, he goes one down, but he missed the line that ensures his contract. He was right to play to the club Ace after the heart King won, and right to return the heart Queen from the table. But on this he should have discarded his diamond Ace!

Then if I led diamonds dummy would set in and cash the good hearts. This would give declarer four hearts, one spade, two diamonds, and two clubs. If I do not play diamonds, South will have plenty of time to set up a second entry to the table in clubs.

Once it is seen that clubs

Sewing along traditional lines



Syrian dress

IT WAS only last week that a whizz-kid businessman of my acquaintance, who has just made an astounding success of one company, told me that if anybody had time, money and energy to spare they really ought to look into the dress-pattern business. At round about the same time John Lewis sent me a new collection of patterns to have a look at and I saw exactly what he meant.

The new patterns being sold by the John Lewis Partnership are a revelation in the way they are presented, in the ideas behind them and in the quality of thought and finish that has gone into them. Unfortunately, though still exceedingly attractive and just what many women will want, most of them would have been even more welcome about five years ago for they are all based on original ethnic clothes.

Anybody who reads the fashion magazines will know that on the whole mother earth has been losing ground to the city slicker but I still think there will be lots of uses for many of these patterns.

There's a Turkish coat (drawn below) that would be a marvelous addition to anybody's wardrobe, while the Syrian dress (shown above right) would be lovely for summer evenings. The group of children's clothes (several come in the one folder) are enchanting. Some of the patterns are more suitable, perhaps, for amateur dramatics and costumes—there's a Victorian shirt, a Japanese kimono, Edwardian underthings and a Gibson Girl blouse.

Most of the designs come from the traditional clothes worn by the peasants in countries like Romania, Turkey,

France, Japan, Germany and Afghanistan.

What makes the patterns particularly nice to use is that they are all printed on good solid, heavy paper very different from the flimsy paper traditionally used. The instructions also include several different ways of approaching each garment. For instance, with the Turkish coat you can either do it the hard way and do everything yourself—including the quilting. Alternatively you can use ready-quilted, double-sided fabrics, you can edge it with patterned quilted borders and you can omit the embroidery.

With the Syrian dress you can do all the embroidery by hand or the instructions show you how to achieve some form of decoration with a machine.

Most of the shapes of the clothes are fairly simple, as traditional clothing is usually based on simple geometric shapes so the sewing involved is not time-consuming or complicated. The decoration and handwork can then be as easy or elaborate as time and inclination allow.

Most of the packs include short histories of the clothes, which makes each folder so much more interesting both to look at and to use. If you choose the kimono, for instance, there is a short history of the garment, as well as guidelines as to how to wrap it and wear it. If you have children and you like sewing you should find the children's pack a joy—it includes eight different garments (Korean hoodies, as well as a Mexican baby shirt, a Japanese kimono and a Moroccan djellaba).

The packs are more expensive than most ordinary patterns already on sale but they are infinitely more efficient. Prices vary between £2.10 and £3.55, depending on the style. They are in all John Lewis Partnership stores now.



Turkish coat

Burning bright

AT LAST, a really attractive solid fuel stove produced by a home-grown firm, the old-established Scottish company of Esse. First founded in 1834 by one James Smith who had emigrated from Scotland to America and then back again to introduce the American enclosed cooker on to the then wealthy Victorian market.

James Smith and his partner George Ure laid down their philosophy then, to which the company claims to hold to this day. "Use nothing but the best materials," said Ure. "Pay good wages and demand good work, and see that every piece is inspected before it leaves the premises."

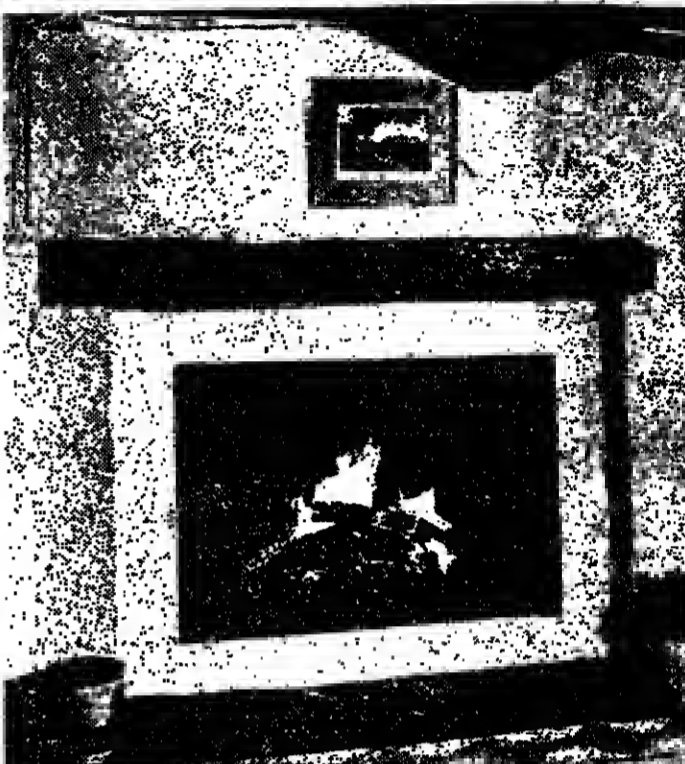
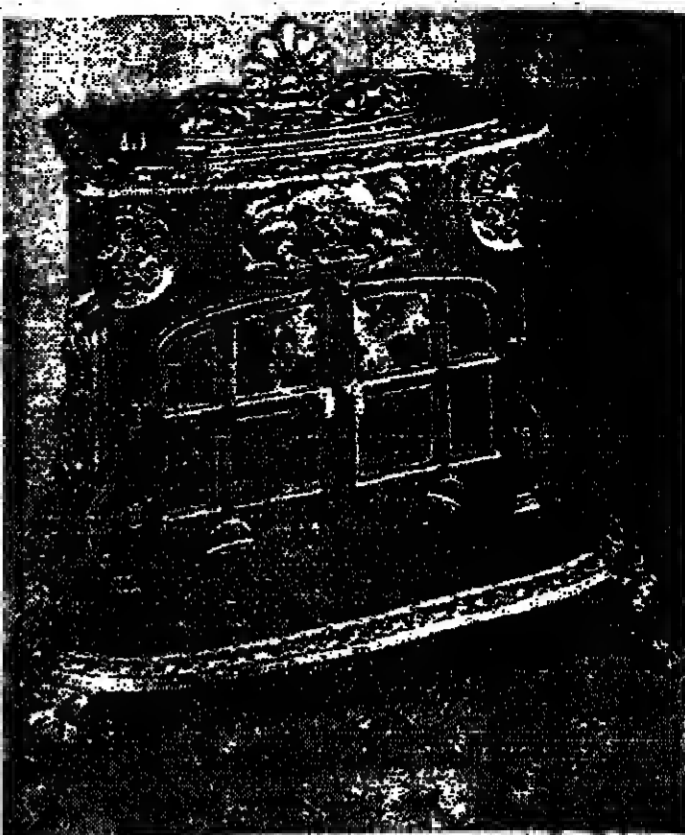
In the 1950s there was a dramatic decline in the demand for solid fuel stoves and Esse diversified into a number of other industrial areas. It wasn't until the last few years that new management in the company, combined with a revival of consumer interest in solid fuel heating, led the company to reintroduce some of its old models.

Photographed top left is the Dragon Wood Burner which I think is an extraordinarily attractive stove. It's made of cast iron and is based on two original Victorian designs; but it also has modern innovations designed to improve its performance as a sealed stove which can be used to burn either wood or coal.

There are air vents on the front doors which can be easily operated and enable the owner to control the burning rate very finely. The decorative scroll at the top conceals a hooting plate which can be used for cooking.

For all the technical details (like maximum output, fuel details and consumption, as well as complete dimensions) it is best to write directly to Esse, Smith and Wellstood, Bonnybridge, Stirlingshire, Scotland. In matt black it is £266 (plus VAT) while the copper lustre enamel version is £341 (plus VAT).

On a completely different note, if highly decorative reproduction stoves are not your cup of tea, there is the very simple and efficient Jetmaster (photo grabbed hotted). The principles behind the Jetmaster are exceedingly simple in that it is designed to extract the greatest amount of heat from whatever solid fuel you wish to burn (this could be wood, peat, coal, smokeless fuel).



It is based on the well-known looking system which can be fitted into almost any existing fireplace (it takes about half a day to fit). There are seven different sizes, ranging from 16" to nearly 4 ft wide and prices range from £150 to over £300. If you want any more details or local stockists write to: Jetmaster Fires, 88 St. George's Street, Winchester, Hants.

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RESULTS FOR THE YEAR TO 31st DECEMBER 1978

Gross Revenue	1978	1977
Earned per Ordinary Share	£1,485,476	£1,354,939
Dividend per Ordinary Share	4.61p	4.11p
Net Asset Value per Ordinary Share	4.55p	4.05p
	156p	149p

EXTRACT FROM STATEMENT BY THE CHAIRMAN

REVENUE—Earnings per Ordinary Share have risen from 4.11p to 4.61p—an increase of 12.2 per cent.

As forecast in the Chairman's Statement last year the Interim Dividend was increased to 1.50p net per share and your Directors now recommend a Final Dividend of 3.05p per share making a total of 4.55p for the year, which compares with a 4.05p a year ago. This represents an increase of 12.3 per cent.

CAPITAL—The Net Asset Value of each Ordinary Share rose from 149p to 156p, an increase of 4.7 per cent. This compares with an increase of 2.6 per cent in the Financial Times Actuarial All-Share Index, a decrease of 3.2 per cent in the Financial Times Industrial Index, and an increase of 2.8 per cent in the Standard and Poor's 500 Index (allowing for the change in Dollar Premium and currency realignment).

OUTLOOK—It would be all too easy to succumb to the all-pervading gloom, both at home and abroad, and it would almost certainly be a great mistake to do so. Clearly the events of the last few months in this country are going to have an adverse effect on the earnings of many U.K. companies. The events in Iran will have widespread and, at present, unquantifiable effects all over the world. It would, therefore, be foolhardy to attempt to forecast how the various stock markets are likely to perform over the coming year.

We believe, however, that there are a considerable number of companies—some of them small companies—both here and abroad, whose earnings and dividends should continue to expand at a satisfactory rate, and we expect that our revenue will continue to increase, albeit at a slower rate than over the last three years which have been exceptional.

Copies of the Accounts are available on request.

The Annual General Meeting will be held at 3 Albany Place, Edinburgh EH2 4NQ on Tuesday, 3rd April, 1979 at 12 o'clock noon.

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Price, including presentation case and recorder delivery, is £137.52. Cheques will not be presented until date of dispatch, which is anticipated to be before Easter. Money refunded if not completely satisfied.

To: Boodle & Dunthorne Ltd., Department DS, FREEPOST, Liverpool L3 5AR. (No stamp needed). Enclose a cheque for £. Please supply (quantity) of the Stuart Devlin eggs.

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HOW TO SPEND IT 2

The Just-So bathroom

WE always felt that one of the major gaps in the market for the really attractive room fittings. There are a lot of sleek modern chrome, some rather vulgar gold models, and some excellent plastic fittings that go in certain sorts of. However, plastic doesn't look in every sort of bathroom. I think the new collection of bathroom accessories recently launched by should find a ready welcome from many home-owners. Regular readers may remember a small shop at 306

King's Road, London SW3 which specialises in things Indian—Burra rockers, crewelwork from the Punjab, bedspreads from Rajasthan, lovely, clear-coloured cottons, and, above all, cane. To produce the bathroom collection Kipling has linked up with Elliott Powell—who specialises in what they call "cultured" marble bathroom ware (which is, in oversimplified terms, a man-made version of marble, using the same natural materials but speeding up the process mechanically). With Elliott Powell's range of baths, basins, WCs,

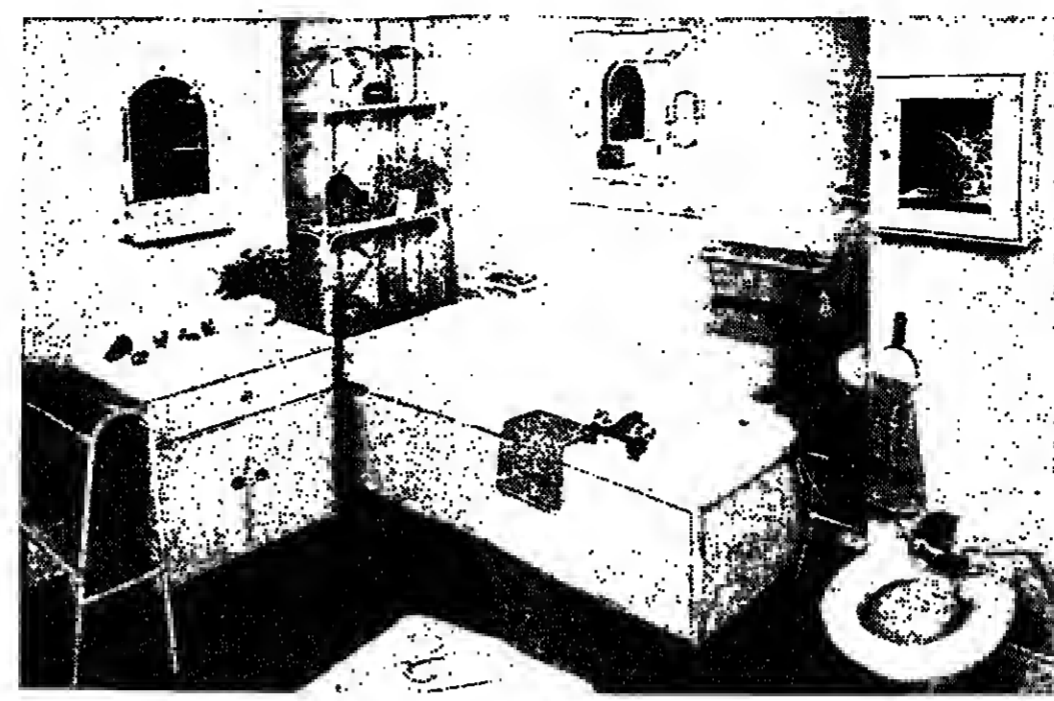
bidets and shower trays (which are sold through exclusive builders' merchants throughout the country) is a selection of cane fittings—things like vanity unit surrounds, bath panels, towel rails, mirrors, stools, shelves, towelholders, rings, lavatory paper holders and everything else you could possibly imagine needing in a bathroom.

As you can see from the photograph, cane in the bathroom gives a remarkably warm and lived-in look and now that the fashion for having larger, more comfortable bathrooms is growing apace, cane furniture in the shape of chairs and small dressing-tables can be added as well.

Unfortunately, as with most of the things that one likes in this world, the prices of the cane accessories are not very low, but on the other hand, there is almost nothing like them on the market. The towel horse is £29.50, the planter £17.50. The corner wall unit is £33.25, the cabinet under the basin is £167.00.

The front bath panel is £49.75, the side end panel £24.50. Among the smaller items, the towel ring is £4.95, the arched mirror with shelf is £4.95 while the towel rail on the back wall is £8.50 and the lavatory paper holder, £6.75.

Though the prices aren't as low as one would like small



details can make a huge difference to a bathroom and once bought should last virtually forever. All the cane items are made to order and delivery is normally about three weeks. If you're interested in the Elliott Powell collection of cultured marble bath fittings, the bath is £368, the handbasin

is £90 while the bidet is £266 (sittings and VAT are extra). Readers in London should go along to Kipling for it is a small shop, but charming and colourful. From the end of April Barkers of Kensington High Street will be having a "Discover India" promotion which lasts until the middle of

June and a complete Kipling bathroom will be on display there. If you live out of London send an s.a.e. or a 9p stamp to Kipling, 306 Kings Road, London SW3 and you will be sent a leaflet listing all the cane bathroom items, as well as prices and postage and packing.

France without tears

STRONG smell of garlic coming from the kitchen, a woman who seems to be the lioness as well as taking a petrol pump of the four garage, may well be to some of us that we come across a typically French rural hostelry, of us, however, prefer a systematic and reliable of finding somewhere to

"You pay your money, and you take your choice. You will not find many of the niceties at Auberges, but all the basic amenities are there.

If you send a postcard to the French Government, Tourist Office, 178 Piccadilly, London W1, you will be sent the 1979 guide, and full details of the Logis, together with regional maps. This year also the AA's tour arranging department, Argosy, is offering package holidays with accommodation in Logis or Auberges Rurales. Argosy's minimum stay in any one hotel is six nights. Argosy's brochure entitled "Holidays in France 1979" will be available from about the beginning of April from the French Government Tourist Office or from ABTA travel agents. Bookings may be made direct with the Argosy Reservation Centre at Halesowen (021-550 7401).

CHRISTINE BURTON

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'Sorry not to be here'

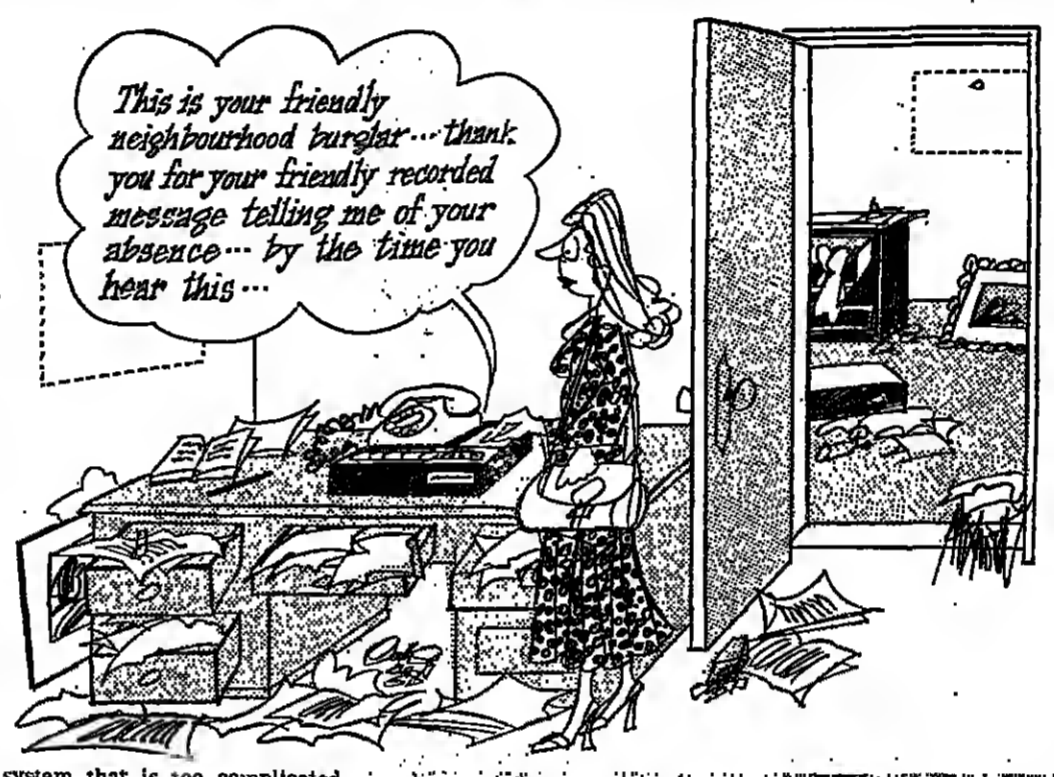
Whether you're running a small business from home or just have an unduly hectic social life a telephone answering service could be just what you need. It can be friend, confidant and sometimes nightmare (when it goes wrong) but whatever system you opt for do evaluate carefully just what you are signing up for...

THERE are two types of telephone recall systems. You can either record a message yourself, or have someone intercept your phone for you. Both must be authorised and connected via the Post Office—which makes both an initial and quarterly charge on your phone bill.

With an answering machine you record your own message on to a cartridge, leaving it on "answer" when you go out. You can erase and change what you say quite simply, or leave a personal message or a forwarding phone number.

Thus a machine, which in appearance is similar to a cassette deck, gives great flexibility, and often some very amusing messages to come home to. Lots of people freeze up when they have to speak into a machine, others treat it as a confidant and wax on at great length. The answering machine which I use was supplied by Robophone, and was passed on to me by a mechanically minded male. The everpatient Robophone engineer is around often, because I do seem to have a flair for tying his machine up in knots (luckily, Robophone's charge includes service).

The lesson to be learned here is two-fold: don't take on a



system that is too complicated for your needs, or technical ability—mine is minus nil. And don't take yourself up with a contract which you might be likely to regret, should your working circumstances change. Robophone, in common with its many competitors, offers a variety of systems geared both to individuals and national companies. Suitable for the home worker is their Communicator 7, which answers the phone, takes messages and has a recall facility. It costs £3.92 a week or £51 a quarter, if you sign up for three years. Herein lies the rub.

The companies I have talked to start by quoting a weekly figure to would-be subscribers. I was told it would cost from £1.60 to £4.95 a week for a machine suitable for home use. But you actually pay a quarter in advance, minimum, with an agreement for between one and seven years.

Ansafone is the largest distributor and manufacturer of answering machines in the UK, with a sales force of 120. Because answering machines are connected to Post Office telephone lines, the Post Office insists on any equipment having its approval; it also insists that the equipment may not be sold outright and has to be leased from the manufacturer.

One can't blame answering machine companies for trying to make their prices enticing. But don't always accept what you hear the first time around, as I did initially, and cross-check true costs.

For instance, Ansafone issues a sheet of paper entitled "What Ansafone Costs..." and I quote from it. "We remain responsible for the servicing and maintenance of the equipment and normally (my italics) the cost of maintenance is included in the rental payments which are made either quarterly or annually... Sometimes (my italics) a single payment of rent can be made to cover the use of the equipment for several years without any further payment except an annual maintenance charge." This charge is £32.50; there is a radio-controlled London breakdown service.

The leaflet continues: "In all cases an initial charge is made for the provision of the Ansafone service... This charge is between £10 and £20... All rentals are subject to VAT and the company may vary some charges after the equipment has been installed for two years or more."

So hearing all that in mind, the outright payment in advance quoted for a 6A (suitable for a home/office), for seven years is £496.50. However, if you take out a contract for seven years, at a yearly rental of £124.02, Ansafone retains the right to increase that rent to cope with inflation.

If you sign up for the same machine for three years and pay quarterly in advance, the charge is £51.35—£205.40 per annum. But if you sign up for one year

The smallest telephone and recording machine available in this country is the Communicator 7 by Robophone. Push-button operated it is available on rental only and costs between £2 and £4 a week, depending on length of contract.

only, you pay £84.35 a quarter, or £257.40 for the whole year. The difference is staggering—but the one and three year contracts are inflation-proof.

A smaller and cheaper company would seem to be Storacall, which I found in the Yellow Pages but which has subsequently been recommended by a photographer colleague. For its Answermaster Storacall requests an advance outright payment of £139 for one year, or £360 for three years—£120 per annum.

What happens if you don't need your answering machine any longer, and want to cancel the contract? You can't, unless you can prove sickness, ill-health, or some unforeseen disaster like a close relation dying abroad. Regress from your agreement, and you are only entitled to half of the advance payment outstanding. The other alternative is to assign the contract to someone else, as happened in my case. So be sure before you sign.

While you were out you had calls from your agent and your Mother, and an obscene phone call from a gentleman who wouldn't leave his name but his heavy breathing sounds like 'his'...



Belinda Black

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THE BRASS QUARTZ CLOCK (also supplied in matt black frame with silvered face to pair with the barometer pictured here.) This brass-faced clock has a fine brass face beneath which beats a crystal heart, a high-frequency quartz crystal heart at an amazing 4,194,304 oscillations per second. No human heart can compete, nor be accurate to about 60 seconds annually in time and emotion. All on a 1.5 volt battery, not supplied. Guaranteed for a full year.

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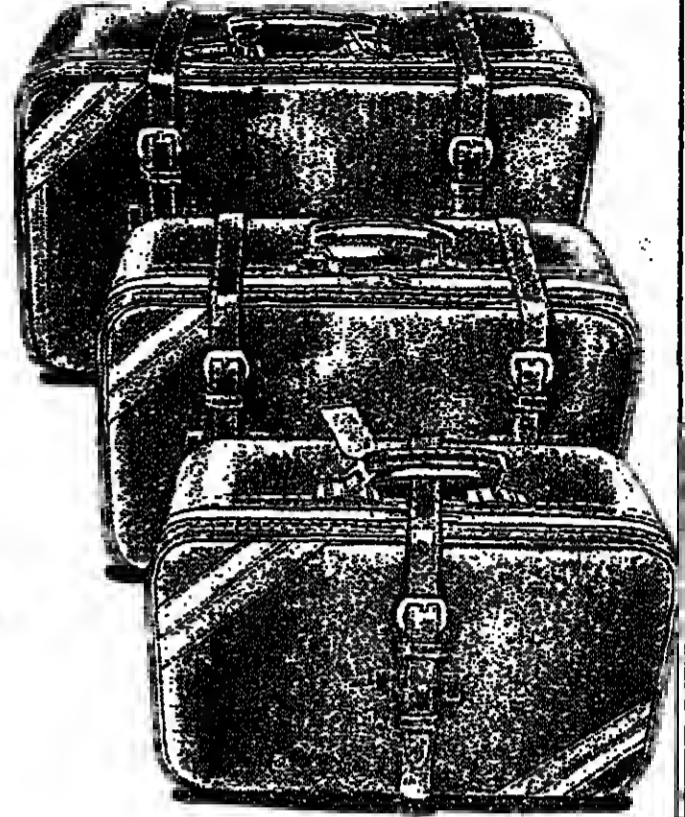
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BUONGIORNO ITALIA

Italy has come to Harrods! This Spring we are celebrating the Italian flair for design (and zest for life) with a wide variety of merchandise throughout the store - from fashion to furniture.

One of the most attractive features is the Medici-style Villa, with vaulted and pillared rooms around a fountains courtyard in our Central Hall, Ground Floor.

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TRAVEL Spring in Prague

BY SYLVIE NICKELS

IF YOU HAVE the good fortune to be going to the Prague Spring International Music Festival between May 12 and June 4 this year, you will be visiting one of Europe's loveliest cities at an ideal season (unless the weather continues to confound us). There are other side benefits in 1979. Medieval Charles Bridge and its mainly 18th century Baroque statuary is no longer a forest of scaffolding; and Wenceslas Square is at last clear of all the boarding that looms concealed all the goings-on for a now-completed (and highly efficient) section of underground line.

Three travel firms are featuring tours to the Festival and the use of these or some other form of Prague package is recommended. Czechoslovakia is still better geared to cater for pre-paid services whether you are a group or an individual. Because there is so much to see, an organised sightseeing tour—included in these arrangements—is the best way of getting first impressions. But the only way to really discover Prague is on your own two feet.

The four main districts of interest are the Castle area (Hradcany) and Lesser Town on one side of the Vitava River, linked by various bridges, but notably 14th century Charles Bridge to the Old and New Towns on the other. Be prepared, unless you are an architectural expert, for a visual bombardment of Romanesque, Gothic, Renaissance, Baroque and neo-Classical in all their various stages. After all, does it really matter so much precisely which

is which when the general effect is so wholly pleasing?

What does matter is to miss as little as possible of the best corners of the city, and the Music Festival with its various venues takes you to a very high proportion of them. One of the main ones is the Smetana Theatre, which has been recently and beautifully refurbished within; it stands in the New Town, near the massive National Museum which dominates the upper end of Wenceslas Square. Another venue, the House of Artists (elegant, 19th century) is in the Old Town, almost rubbing walls with the famous old Jewish cemetery. The ancient ghetto of which this forms part is fascinating in its architecture and unique in its museum collections; not least, too, for its story of the unspesakable Nazi murder of most of Czechoslovakia's Jews.

The Tyl Theatre, a stone's throw from the astronomical clock and other architectural wonders of Old Town Square, is where Mozart's Don Giovanni was first performed in 1787, four years after the theatre first opened. Appropriately it will be performed here again on May 23. Mozart loved Prague, wrote

and restaurants with names like the Golden Fear or the Green Frog, or more earthy, beer taverns, all of which get crowded with Pragueites at their favourite occupation of talking. A good meal with wine (and there are some particularly good Moravian ones) costs around £5-£7 per head and you can get an adequate one for very much less. It is wise to check opening times and best to book a table.

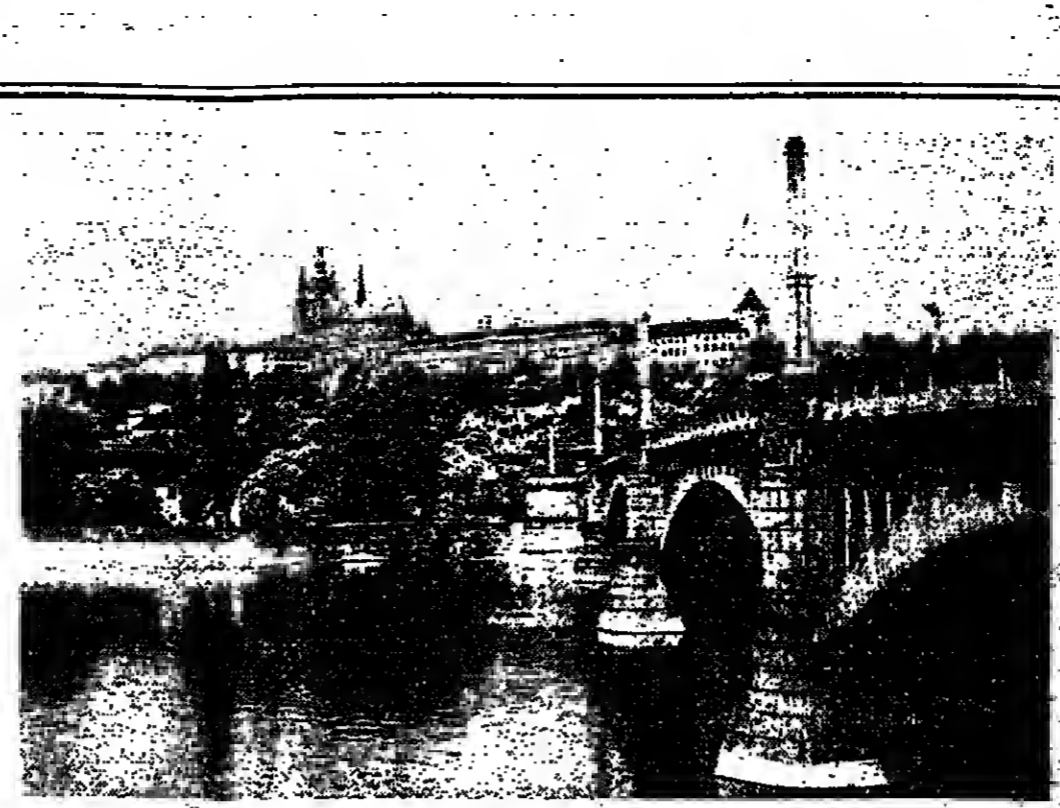
The surrounding Bohemian countryside is also at its best in late May and June, misty with fruit blossom and aglow with mustard fields. West Bohemia is where the most famous spas are, but unless you are so addicted of pungent waters.

Further information: Czech-Czechoslovak Travel Bureau, 17-18 Old Bond Street, London W1; Heritage Travel, 23 Hans Place, London SW1X 0EP; Pettours, Maplin House, 156-162 Oxford Street, London W1; Serentissima Travel, 140 Sloane Street, London SW1. Tour costs are in the £250-£400 range, depending on accommodation and other amenities, but all include tickets for Festival performances.

and restaurants with names like the Golden Fear or the Green Frog, or more earthy, beer taverns, all of which get crowded with Pragueites at their favourite occupation of talking. A good meal with wine (and there are some particularly good Moravian ones) costs around £5-£7 per head and you can get an adequate one for very much less. It is wise to check opening times and best to book a table.

The surrounding Bohemian countryside is also at its best in late May and June, misty with fruit blossom and aglow with mustard fields. West Bohemia is where the most famous spas are, but unless you are so addicted of pungent waters.

Further information: Czech-Czechoslovak Travel Bureau, 17-18 Old Bond Street, London W1; Heritage Travel, 23 Hans Place, London SW1X 0EP; Pettours, Maplin House, 156-162 Oxford Street, London W1; Serentissima Travel, 140 Sloane Street, London SW1. Tour costs are in the £250-£400 range, depending on accommodation and other amenities, but all include tickets for Festival performances.



Prague

WINTER SPORTS

ARTHUR SANDLES

AND SO we near the end of another ski season. It is about this time that the tour operators and resorts start trying to tempt us with a few late season offerings. Some of them can be real bargains, but shopping for a ski holiday at this time of year has its problems.

The advantages of late season skiing are that the weather can be much more pleasant, the days longer and the slopes—if you avoid weekends and Easter—relatively quiet. The disadvantages are that the snow is unreliable and, as it warms up, can be difficult to ski. Spring snow is particularly tricky for beginners, a situation which is not helped by the fact that nursery slopes are often snowless by late March, forcing novices onto terrain which they will find intimidating.

In choosing a last minute ski holiday go for somewhere the bulk of whose slopes are above 2,000m. This year the deep snow seems to have been on our side of the Alps, so head for France, western Switzerland, north western Italy and Scotland. The Ski Club of Great Britain is very helpful with inside information for members. In the U.S., New England is losing its snow. Choose Utah or Colorado.

Another feature of this time of year is the publication of the summer ski brochures. You too can ski in July. Favourite resorts are Hintertux and Kaprun in Austria, Bormio (for Stelvio) in Italy, and Les Diablerets in Switzerland. Summer skiing is great fun; if not great skiing. You usually ski only in the morning, turning later to riding, tennis or mountaintain walking. You'll come back with a super tan.

One thing to avoid this summer are alpine ski teams doing pre-Olympics training. They will be particularly in evidence later in the summer, dominating the best runs. The rich teams will be off to Portillo (Chile) or Canada. Poor relations, like the British, will be in Europe. Details from Ski Club of Great Britain, Thomson Holidays, Inghams, Neilson or Swans. A week will cost between £100 and £200 according to the arrangements and location.

SNOW REPORTS

EUROPE	SNOW DEPTH (cm)	REPORTS
Crans (Sw.)	95-200	Powder off-piste
Verbier (Sw.)	40-150	Good skiing, powder off-piste
Kitzbühel (Aust.)	5-95	Good skiing on upper-slopes
St. Anton (Aust.)	10-260	Spring snow on most slopes
Flaine (Fr.)	95-485	Good skiing everywhere
La Plagne (Fr.)	250-350	Excellent skiing throughout
Isola (Fr.)	180-330	Excellent skiing conditions
Tignes (Fr.)	180-305	Excellent above 2,500 metres

European reports from Ski Club of Great Britain representatives.

THE U.S.	SNOW DEPTH (in)	REPORTS
Sugarbush (Vt.)	7-24	Granular snow. Spring conditions. Warm
Stowe (Vt.)	15-15	Warm weather. Spring conditions
Hooper (N.Y.)	20-65	Corn snow. 25 of 35 runs open. Warm
Park City (Utah)	64-89	Packed powder. All runs open
Aspen (Col.)	15-119	New snow, still falling. All runs open
Squaw Valley (Calif.)	44-101	Packed powder, clear skies

Figures indicate basic snow depths of top and bottom stations.

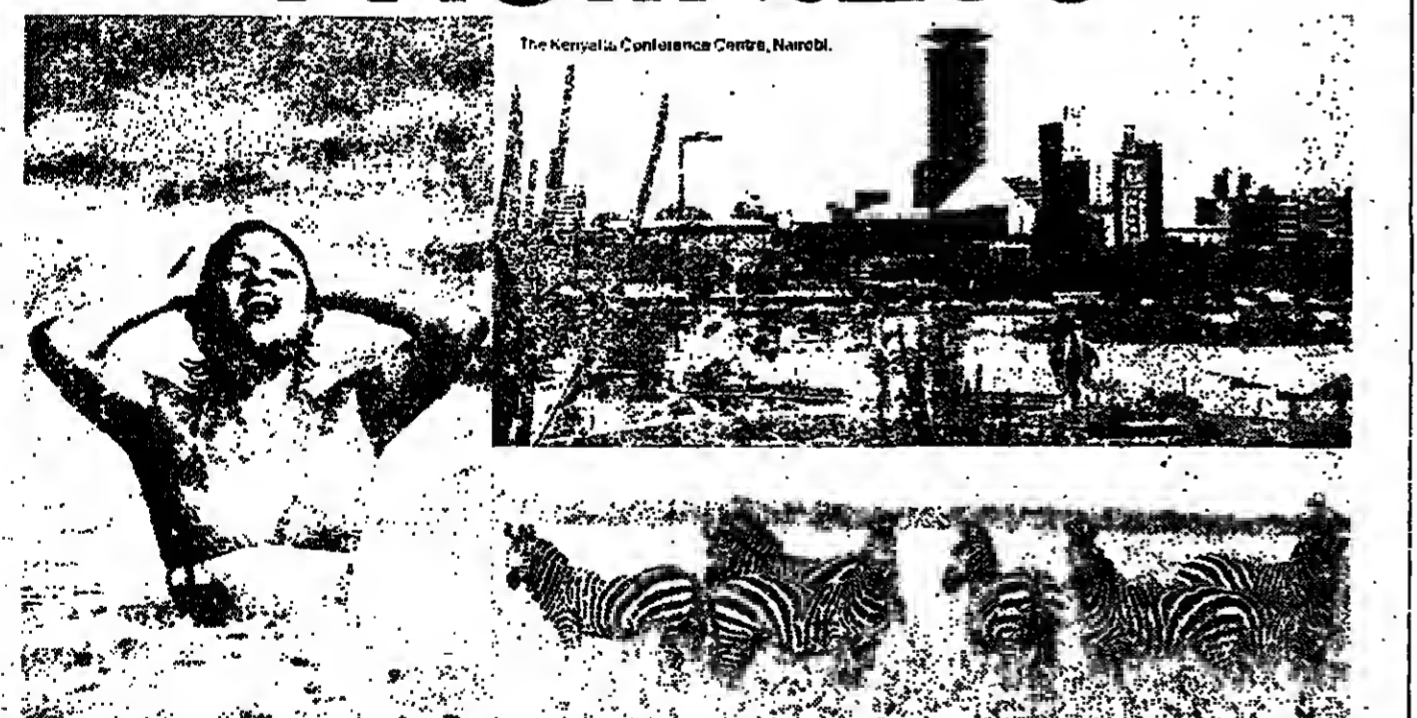
SCOTLAND
Cairnmore: All runs complete. New snow, heavy drifting.
Glenshee: All runs complete. New snow on firm base.
Glencoe: All runs complete. Powder on hard base.
Lecht: All runs complete. New snow.
Access to Glenshee and Lecht has been difficult. Call 031-246 8941 for latest details.

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Saturday March 24 1979

End of season stocktaking

THE MARKET, at least, seems to harbour no doubts at all. It expects a change of government within weeks, and likes the prospect very much. Together with a burst of seasonal weather, euphoria has had little check. Indeed, with large institutional funds to fuel the market, and an almost total absence of hard news to spread a little sobriety, it was the sort of performance one might expect. Strikes by statisticians, like those by customs officers, are actually popular.

Election fever
It is perhaps unporting in these circumstances to recall that it is only last Wednesday that the market fell on the announcement that Mr. Callaghan was to broadcast to the country, which initiated the election fever, and that the most important event since then has been nothing to do with politics and little to do with the market. The Government virtually sold out at another top stock, and the funding programme is now clearly complete for some weeks. The first election rumours found a market still uncertain about its own outlook; the second found a market free of this constraint.

Unfortunately views of the future must take more into account than the weight of funds seeking investment (though that in itself is increasingly seen as a bullish factor). Not even the fact that the City has returned to its old political allegiance means that a Conservative government can work miracles. It is a time for stocktaking rather than hats in the air.

The most recent figures for borrowing, money supply, employment, and even retail sales are all heavily distorted by labour disputes, and the trade figures, which would be equally distorted if we knew them, have vanished altogether because of another. All the same, the broad picture is clear enough, as we were reminded earlier in the week by the OECD's annual survey of the UK economy.

That assessment offered nothing to celebrate. It reminded us that excessive wage increases, even if they do turn out to be slightly less excessive than last year, have done lasting damage to competitiveness and thus to growth. Inflation rising to double figures, non-oil growth falling to less than 2 per cent, and probably rising unemployment is now the consensus view. In spite of this dreary outlook the OECD recommended tighter fiscal policy—a view which we strongly support.

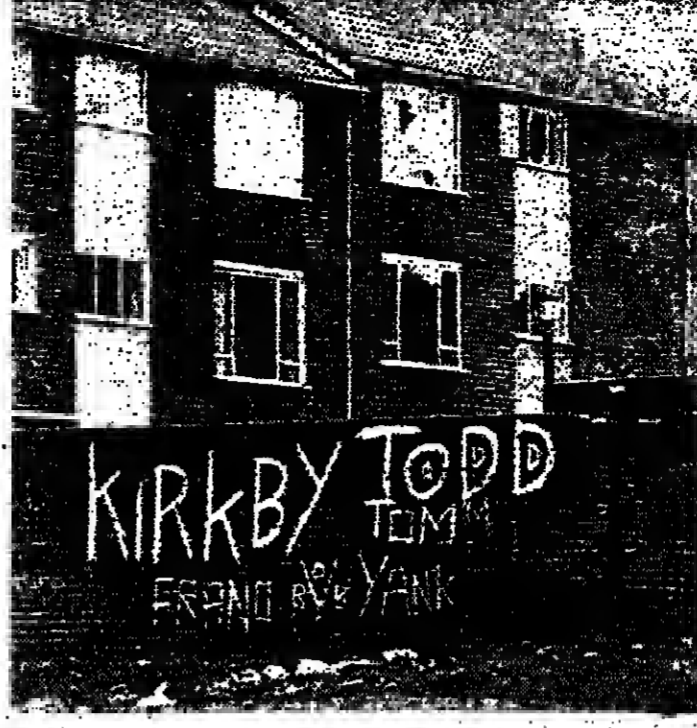
In the long run, this commitment to a progressive squeeze against inflation offers the best hope of stability and recovery. It will create a difficult and challenging climate in which the efficient may actually benefit

from reduced inflation and a relatively low-pressure boom market, while the inefficient find the going unbearably hard. That is certainly better for our ultimate health than protecting inefficiency through trade barriers, currency devaluation or subsidy, but no one can suppose that the process of transformation will be easy.
It will not be easy either to restore rational wage bargaining. The disciplines of the market may well be helping in manufacturing industry, exposed as it is to foreign competition; that is why the big problems this year have emerged in the service industries, both private and public, which are relatively or completely sheltered. All that can be tried is different blends of cash limits, persuasion and cajolery.

These are the real problems which a Government of either party must face, and on many of the issues we have reached something like a political consensus. Labour in office (though possibly not in opposition) is as firmly committed to the basic monetary discipline as a Conservative Government would be. The rhetoric about wages is different, and Labour has offered a dangerous hostage in its commitment to the idea of competition, a question-begging notion which only inflames expectations; but after the unequal effects of three years of norms, which held back public sector pay, there are no easy answers. Public sector pay is due to catch up to a greater or lesser extent, and that is bound to be a strain on revenue. A tighter fiscal policy in these circumstances cannot be combined with an immediate assault on the overall level of taxation.

None of this means that there is nothing for an incoming Conservative Government, if indeed we are to get one to a matter of weeks, to do. It does mean that any initial moves will have to be cautious and balanced. Lower direct taxes are likely to mean higher indirect charges. Cuts in some public programmes may be balanced or overtaken by increased spending on security.

Reform of housing
Some technical and regulatory changes would certainly be helpful, notably reform of housing, an end to arbitrary price controls, to dividend control (which would enable successful companies to make greater use of equity finance), and an easing of exchange controls (which would make it possible to hope for a stable pound rather than one which rises against the realities). The result will be an improvement in incentives and in confidence—a soberly encouraging prospect. But the basic realities which Mr. Callaghan has had to confront in the past two years or so will not be changed by an election.



A new, anguished Mersey Sound

THE Mersey Sound has become distinctly discordant to the rest of the country in the couple of decades since the strange euphony of the Beatles and the hundreds of Liverpool groups which strummed hopefully after them. What is emerging now sounds like something between a bellow of rage and a cry for help.

Returning to my native Merseyside after so many years, it is not difficult to understand why. Some scenes are unchanged: Southport still trips unably towards a distant sea, skirted by the huge sandhills on which they flock the sand and sleet Desert Song. Some changes cause no surprise: Kirkby's vandalised and bleakly sullen estates have totally lived up to people's fears.

Merseyside has no real identity. It is an outcrop on a map, drawn without much geographic sense only five years ago in the hope that somehow its disparate features would coalesce into a recognisable region. What disturbs many now is the character that is being stamped upon it: a tearaway's streak of near-violent militancy.

Essentially the traits are recognised as those of Liverpool where business and brutality long lived side by side; but Liverpool has changed too.

The city has been stranded by the receding tide of prosperity, scoured bare here, littered there with the accumulated detritus of its past. The mythical Liver Birds brood over the same magnificent buildings but on a waterfront that is unnaturally quiet and slowly stagnating. The gusty grandeur of St. George's Square, the Church Street precinct of modern shops which frames the Georgian elegance of the Bluecoat Chambers charity school, the cathedrals—all these cannot divert the eye and in confidence—a soberly encouraging prospect. But the basic realities which Mr. Callaghan has had to confront in the past two years or so will not be changed by an election.

housing. Liverpool drew its life from the port, crammed itself with the industries that serviced it and were served by it. Even a seaman's meat-and-potato stew called Lobscouse gave the city's people and their bronchial accent the generic name of "scouse."
Trade with the Americas lifted the port at one time to a position greater than that of London, but commercial decline had begun long before Britain turned to Europe and the Common Market. Now Liverpool is simply in the wrong place at the wrong time to have any real hope of regaining its past eminence.

'Never been Luddites'

The port has been rationalised, seeking a smaller but more stable base in its new container facilities and its grain and timber trade. Half of the 20,000 dockers, whose belligerence gave Liverpool a reputation for militancy, lost their jobs in the 1960s. Since then more than a third of the remainder have gone. In the last five or six years, only three days have been lost in industrial disputes on the docks.

Jimmy Stices, one of the dockers' leaders, says: "We have never been Luddites. We have always been ready to co-operate. We are just never prepared to accept exploitation. There have never been more strikes in Liverpool than elsewhere, but they have been more determined."

Other trade union leaders in the area claim fiercely that this is the attitude which they now take in the face of the recession that has swept from the docks over the whole city.

In 1961-71, the number of jobs in Liverpool fell at an accelerating rate from 401,000 to 325,000—86 per cent of the jobs lost were in the inner city area. In the next four years another 17,000 jobs were lost, 18,400 in the following year. Last year about 14,000 more disappeared. Population declined in step with employment. Between 1966

and 1971 93,000 people left the city. Fifty thousand more followed them in the next five years. Most of those who pulled up their roots were teaboy and the skilled. Some who left did not go far, settling in other parts of Merseyside and the new towns in peripheral Cheshire and Lancashire. But the overall effect has been to reduce Merseyside's population and its jobs by 100,000 and to increase its unemployed from 15,000 to nearly 90,000.

Merseyside's total unemployed last month was over 84,000 with 59,000 of them in Liverpool. One in nine of the working population is out of work; in some small pockets the proportion is as high as one in three.
Liverpool's commercial decline has been accentuated by the national recession. This has led to a shedding of labour by some of the largest manufacturing companies which are relative newcomers to the area. A vicious spiral has developed as the shrinking employment base perpetuates the lack of skills which in turn prejudices new investment. Last night one of the area's biggest employers, British Insulated Cables, announced that its Kirkby factory would close in a year, with the loss of 650 jobs.

Thirty-thousand have been out of work for more than a year. A quarter of the unemployed are teenagers and 3,500 of them have never had a job. People talk in Liverpool now of "bedroom unemployment." In many schools those about to leave are shown how to fill in social security forms, a depressing if necessary precaution against what awaits hundreds of them.

With this background, and that of a large amount of inadequate housing, the social consequences have been inevitable. Liverpool is again engaged in the same sort of struggles which occupied it at the turn of the century. Throughout its history it seems to have swung between such extremes: the pioneering of child welfare milk when the city had one gin-shop for every 40 inhabitants; the appointment of the country's first medical

officer when 14,000 of its people lived in squalid cellars.
Now its crime rate is the worst in the country though showing last year an encouraging drop of 10 per cent. However, crimes of violence rose by more than 16 per cent. Liverpool's police—the first to wear rubber-soled boots on night patrols—have a reputation for tough law enforcement. But Mr. Ken Oxford, Merseyside's no-nonsense Chief Constable, sees the role of his force now more as a social agency. A lot of effort has been put into easing traditional antagonisms towards the police and involving the police in the life of the community.

The city is also spending about £20m a year on personal social services. Nearly 300 social workers—who ended a five-month strike this week—cope with a crushing load of cases of stress and neglect. More than 1,900 children are in care; the rate of mental illness is high. It is said that today Merseyside's "socially disadvantaged" experience more isolation and less tolerance from the rest of the community than in the worst years of the 1930s.

Police and social workers alike look with varying degrees of pessimism to the politicians and the planners to solve the basic problems.

More jobs needed

The Government has poured £400m into Merseyside's special development area since 1974. It is estimated to have saved 40,000 jobs and created half that number of new ones. The industrial training programme now covers some 6,000 workers a year.

But if the planners' targets of stabilising Liverpool's population at 1m and that of Merseyside at 1.1m in the 1980s is to be achieved, 75,000 new jobs must be created.
With the environmental regeneration that must accompany it, that would require an

estimated public investment of £1bn and an additional £2.5bn from the private sector.

In such a context, the political wrangling among city councillors this week about whether 2p should be cut from the rate looked cynically irrelevant.

Under the pressure of its problems, it is easy to overlook some of Merseyside's assets. It still has many successful companies, willing to back their confidence in its future with new investment—Ford's £200m at Halwood, £75m from Shell Chemicals, £70m at Pilkington's. The total of investment commitments made last year was over £500m. The competition for new industry is keen.

As Merseyside County Council's planners say: "There are no easy solutions; regeneration will be a slow and difficult process, requiring patient and consistent commitment for many years. It can take place if there is a will to try every means available."

Though some of Liverpool's old ebullience has drained away—God knows what would have happened if we hadn't got the best two football teams in the country—that will seem to be there.
Ambitions have been scaled down. Spectacular plans for Liverpool's city centre have been whittled away. Trevor Jones, leader of the controlling Liberal group, says: "The city had become a mecca for makers of over-ambitious architectural models."

Hopes are focused now on the plans of the inner city partnership of local authorities and the Government which will spend £40m over the next three years on clearing the derelict heart of the city, building advance factories and bringing the small businesses back.

A £3m "operation clean-up" this year is aimed at improving the general appearance of the city; a £50m housing programme will bring more lasting improvement to the quality of life. Some political frictions threaten to obstruct the tasks that have to be performed. The county and city councils are at

odds over the construction of a £40m inner ring road and the development of the 400-acre disused South Docks.
Sir Kenneth Thompson, chairman of the Tory-controlled county council, sees these projects as catalysts for the city's commercial revival. Members of the city council charge him with "the pursuit of whims".
There is little sympathy in Liverpool for the county council's wider responsibilities and interests; for projects such as the Sankey Valley linear park near St. Helens or the conservation of the Sefton coast-line.

So the city is inclined to go its own way, retaining its separate industrial development office and refusing to get involved in the county's wages and better-funded economic development office.

The accolade from Ken Dodd

At least these divisions have had happy results in an area of Liverpool life where the old vitality seems as strong as ever—the theatre. When, like so many before and since, the London-based theatre chains withdrew from the city, John Last, chairman of the county council's arts committee, rescued the Empire and the city with a great deal of help from Ken Dodd, the Liverpool comedian, saved the Royal Court. Merseyside's cultural life, with five live theatres patronised by more people than all Anfield's football terraces, shows no sign of flagging.

When Manchester once claimed to have fostered 18 pioneering initiatives, Liverpool responded by totting up more than 400 "firsts" for the city from co-ownership housing and public washhouses to the use of goal nets in professional football. With all the pressures on Liverpool, it will need the same innovative spirit now as well as the aggressive energy that went with it in the past. No-one should be surprised by a bit more noise from Merseyside.

Letters to the Editor

Comparability

From Mr. R. Chester
Sir—What the proponents of comparability exercises seem to overlook is that the content and responsibility of any job is never static. It is always changing, either to cope with new needs and pressures from within and without the organisation, or (in the better organisations) as part of a deliberate attempt to improve output and eliminate non-productive work.

This is as true of managerial and clerical jobs as it is of manual work. Consequently any attempt at comparability (particularly using the pseudo-mathematical technique of job evaluation) is ephemeral and like trying to fit a dinner jacket to an amoeba.

R. J. Chester,
32, The Crescent, Dorrus Hall, Ponteland, Northumberland.

Elections

From the Liberal Prospective Parliamentary Candidate for Halswood and Stourbridge.

Sir—Two cheers for Sir James Goldsmith (Page 6, March 21) for using his speech at the Institute of Directors' convention to highlight the sham democracy in this country. He misses my third cheer because his proposal for primary elections to give constituents more choice when selecting their MP by getting them in at the candidate selection stage, is not nearly as effective as opening the electoral system up to proportional representation using the single transferable vote.

This excellent system allows a wide selection of people of all party labels and none to stand for election and as such can take away the power at present yielded by small groups of people in "smoke-filled rooms" of political folklore, who at present all too often constitute selection committees of the parties.
The single transferable vote also ensures that the final composition of the group of elected members who take their seats at

Westminster (or in Europe, or the local council) more truly reflect our point of view than they do at present. This means greater stability and continuity of Government, no more dramatic swings to extremes of left or right—unless that is actually what a majority of us want; and so a healthier climate for business to grow and prosper. Perhaps Sir James would like to join in the campaign for this excellent voting system with all the benefits it would bring for business.
Christopher Harvey,
1, Forfield,
Kidderminster,
Worcestershire.

Engineers

From Mr. J. Stone
Sir—You have printed many letters complaining of the lot of engineers and scientists, the latest from Mr. C. Johnson on March 21. He contrasts the increase in accountants with cuts in R. and D. Increased complexity in tax laws now require much of the need for more accountants, but the alleged reduction in R. and D. has still left needs for many engineers, as your situation vacant columns will show.

The general complaint is that enough engineers do not reach the top echelon. In fact, there is no reason why engineers, as such should reach the top, if by that we mean general management, any more than should those with a background in sales or finance. Top managers require much more than training in a single discipline, and it seems clear that the most difficult sector in industry now is that of industrial relations, in which engineers deal with no special advantage.

From long experience I judge training in engineering to be at least as good a foundation on which to succeed in industry as any other. There is a shortage of good managers in this country and others, and the engineer of ability who troubles

to equip himself with the necessary broader knowledge, has the personality to provide leadership and the will to succeed will do so as often and as far as anyone else, and others from different disciplines will also require these attributes.
There is no dearth of engineers in top positions in British industry, but companies run by engineers are neither more nor less conspicuously successful than other companies, because successful companies are run by people who appreciate and balance all facets of the business, of which engineering is only one, albeit an important one.

I suggest we now have less to wait for from those who think their calling is the reason for lack of success. The fault is more usually less in our stars than in ourselves.
J. W. Stone,
38, Ringsfield Road,
Beccles, Suffolk.

Accounts

From the Editor in Chief, The Accountant.
Sir—As you might expect, we here have read with great interest of your survey of major European companies' annual reports and accounts (page 7, March 20).

For the past 25 years we have made an annual award to the two listed UK companies who, in the opinion of a distinguished panel of judges, have produced the best annual reports. These awards take the form of two pairs of silver spoons, designed for use in boardrooms: one is presented to a large company, the other to a small one, but they are of equal merit.

Two of the UK companies listed in your top ten have won the awards. These are ICI, who won an award in 1970 and British Petroleum, winners in 1972.
You may also be interested to know that the Stock Exchange has accepted our invitation to become joint sponsor of the awards, which will henceforth be known as The Accountant-Stock Exchange Annual Awards.

Judging for the 1979 awards is well advanced and we hope to publish the names of the winning companies next month. The awards will be presented by Sir Kenneth Cork, the Lord Mayor, at Mansion House on May 15.
Peter Gee-Heaton,
Gee and Co. (Publishers),
151 Strand, WC2.

Patents

From Mr. P. Cole
Sir—Dr. A. E. Hermann, your legal correspondent describing (March 15) a situation concerning patents which is deserving of public consideration and debate. The action between American Cyanamid and Ethicon is well known for its interlocking proceedings, but it is less well known that the main action was decided at first instance last year after a hearing which lasted about six months. It would reasonably be expected that a patent requiring this amount of the Court's time to adjudicate would be of abnormal length and complexity. Anybody who has ever researched patents in the polymer field, however, and then looked up the particular patent involved in the American Cyanamid case cannot fail to be impressed by its brevity and comparative technical simplicity. Brevity and simplicity are also hallmarks of the patent involved in *Conder International v. Hibbing* which was one of the subjects of Dr. Hermann's article. If it takes months of Court time for the adjudication of patents of such simplicity, the rules under which the adjudication is carried out plainly require reconsideration. This fact was acknowledged in 1970 by the Banks Committee (Cmd 4407) but like so many recommendations of Government committees, nothing has ever been done about it. Indeed, decisions last year concerning the excruciatingly unreasonable delay in the context of a patent action, and also concerning the admissibility and relevance of experi-

ments notified to the Court at a late date just prior to trial of the action both represent retrograde steps.

There are two ways in which High Court procedure could, with advantage, be simplified and it is suggested that would reduce the length of patent litigation without prejudicing the ability of the Court to do justice between the parties. Instead of presenting the technical facts to the Court by means of oral evidence, it is suggested that in the first instance technical evidence should be presented in writing as is now the practice in writing Office opposition proceedings. Such evidence could be reviewed by one of the hearing officers within the Patent Office to ensure its technical accuracy. This would, of course, in no way prejudice the right of the other party to cross-examine any deponent about the evidence which he has submitted.

The second area in which reform is suggested is in the way in which experiments are conducted and demonstrated to the Court. In a number of instances considerable time has been taken up with scientific experiments whose relevance to the outcome of the proceedings turns out to have been marginal. The results of scientific experiments are best presented by means of written evidence, and if the other party wishes to dispute the accuracy and reproducibility of the results obtained, then the matter should be scrutinised carefully at a preliminary stage to ensure, so far as possible, that the time needed to resolve the dispute will not be wasted.

Somewhere a balance must be struck between the right of litigants to ventilate the full range of issues in dispute and the public interest which requires that the time of the Patent Court should not be monopolised for extended periods by disputes whose length owes more to over-elaboration and the intransigence of the parties than it does to the legal or technical issues involved. It is suggested

that an axe could and should be applied to many of these disputes to cut down the range of issues involved, and no injustice to the parties would thereby be occasioned.
P. G. Cole,
10, Mayfair Close,
Surrey.

Wealth

From Sir James Goldsmith
Sir—Professor Medlik (March 20) refers to a speech that I made to the conference of the Food Manufacturers' Federation. Professor Medlik suggests that I attacked the service industry as not producing wealth. I am afraid that Professor Medlik cannot have read my speech. May I quote directly from it: "The productive sector that is to say industry, commerce and agriculture." Otherwise I agree entirely with the points made by Professor Medlik.
(Sir) James Goldsmith,
65-68, Leadenhall Street,
E.C3.

Losers

From Dr. W. Grant
Sir—Mr. Charlton (March 21) is not "non-controversial" as he believes. If academics take no interest in industry, they are accused of neglecting the wealth-producing sector, if like Professor Clegg, they take a serious interest, they are then told that they have nothing to contribute.
Perhaps academics should be used by now to losing both ways. Social science academics in particular are fitted into a Left-wing stereotype by the Press at the same time as they are accused by their students of being bourgeois ideologists. "Knocking" academics is a popular sport among your correspondents. The "down to earth" point I am making to men like Mr. Charlton is that their outbursts do little to encourage academics to point their abler students towards a career in industrial management.
(Dr.) W. P. Grant,
194, Rugby Road, Leamington.

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POLLUTION CONTROL IN THE U.S.

BY DAVID BUCHAN, IN WASHINGTON

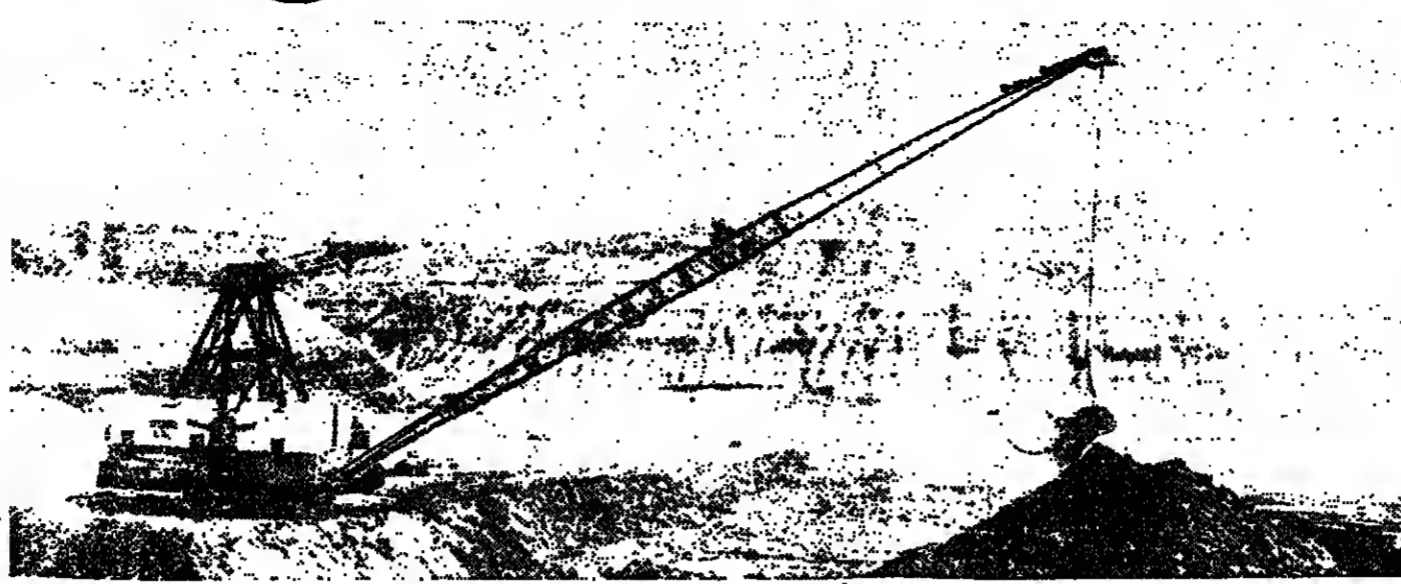
Second thoughts on a \$157bn question

RD OIL of Ohio is not in the cleaning but if it ever builds a \$1bn oil pipeline from California to Texas, it is part of the price that Environmental Protection Agency (EPA) demanded of tolerating the fumes from the pipeline terminal and would give off into the California air was oil company pay for of pollution controls for of Los Angeles dry PA says this "offset" which helps to accommodate growth with disturbing the air is a flexible approach to a required under the act.

however, like many companies, complaints are being hopelessly piled in the widening pollution. To make matters worse, it would drop the pipeline project. If largely a bargaining heavily succeeded — in administration and the authorities have now to help the oil companies in the last two of the permits needed for the and Ohio is recon- sidering its decision.

there is a new mood nton to weigh more the benefits of environ- ments against their econ- omy — a mood that has put on the defensed some business ons, and caused ts in the regulatory use their calculators omulating new rules. ing the new drive for efficiency in regulation harley, Schultz, who White House chairs sident's Council of Advisers.

ultze says the Carter



Strip mining—companies object to new "cookbook" instructions for every stage of land reclamation.

it would have been without them. It forecasts that the difference by 1986 would be about 3.6 per cent.

Abolishing environmental regulations thus would at most knock 0.3 per cent a year off the increment of the index, according to the Data Resources study. A greater impact on consumer prices could be achieved by deregulation of a different kind, doing away with the rules that protect certain sectors of the economy from free competition by limiting price-cutting, market entry and so on.

The Carter Administration has made a start on this, with a deregulation success in the airline industry, aided and abetted by Mr. Alfred Kahn, who was chairman of the Civil Aeronautics Board before he became Mr. Carter's inflation guru. The Administration has limited it may try to lower trucking and rail rates in the same way as air-

line fares have been cut. But the economic regulatory agencies in the U.S., such as the Interstate Commerce Commission and indeed the C.A.B. are quasi-independent of the Government, and often hard to move without legislation. The environmental agencies, by contrast, such as the EPA, the Occupational Safety and Health Administration, or the Labour and Agriculture Departments, come under the executive's wing and are thus more malleable.

Mr. Schultz and his fellow government economists worry that each new environmental regulation tends to give the wage-price spiral a new twist. Benefits of regulation, such as cleaner and safer work conditions, are often less tangible to workers and unions when they reach the bargaining table than costs that are immediately reflected in higher prices. Because of higher prices they demand higher wages. Mr.

some very nasty forms of waste, is in the process of losing 20 per cent of its companies and jobs because of pollution laws.

The impact of environmental regulations sometimes flies in the face of other national policy goals. The Detroit car industry has argued that it can best meet the 1980 fuel economy standards by building more diesel cars. But diesel fumes are dirtier and smellier (but not necessarily more harmful) than petrol and make the exhaust emission standards harder to attain.

A second classic dilemma centres on coal, another dirty substance, but also a linchpin of President Carter's energy policy. To cut oil imports, Mr. Carter has called on the U.S. coal industry to produce 1.2bn tons a year by 1982, more than double the record 688m tons it mined in 1977. But legislation passed in 1977 restricts how coal may be mined and burned. Power companies would prefer to use low-sulphur coal to spend less on devices that must scrub the sulphur out of the coal smoke. But coal that is low in sulphur is largely to be found in the western U.S. It is close to the surface, must be strip mined, and hence comes under strict environmental controls.

This Catch 22 is made worse, according to the EPA, because pollution controls on coal plants, such as gas scrubbers and cooling towers, use about 7 per cent of a power plant's electrical output. Cleaner cities and lungs may, however, make the price worth paying.

The Administration's line, as set out by Mr. Schultz, is that environmental standards should be set no higher than the public health, safety or interest demand. The results in the past 12 months have included the relaxation of the standard on smog-causing ozones in the air, a con-

Weekend Brief

the news coverage of Rhoadie's trial. The former South Information Secretary, ed to focus mainly on ct that they will or been on the Nationalist nt of Mr. P. W. Botha. in human terms, at intriguing to consider a of Dr. Rhoadie him- intriguing, indeed, that he surprising if some- tier were not even ing the Muldergate a fictionalised block- Dr. Rhoadie as the aracter. emma, as I see it, is does our hero/villain that matter, what does winning would look judge from his tele- interview. earlier this seems unlikely that he wants to inflict wanton on the South African ince he has spent a ofessional life serving ne, and still claims to e, it is clear that die and the South Government are in a ar or potential war. A s out for his arrest, on of fraud and theft, and die evidently believes e is some danger that African secret service certain circumstances ave him assassinated. is part has, or claims documents and tape s which are now lodged European banks, but uld be released if any- ppened to him. In rds, the documentation urance policy for his safety.

the novelist, the out- id does not know the of Dr. Rhoadie's hand, possible that the South zovernment is still not ure. Does he have con- damning documen- of the involvement of r. Vorster, the former minister and now State ? Or does he only have e allegations, which, ue, fall short of proof? g as the South African remains in doubt in- sion. Dr. Rhoadie's in- policy may well e his safety—but not- ly for ever, not even for many years. This is s dilemma: he wants n security, but the his documentation will ay as the years pass, h African politicians, etc, as memories fade, a stage (depending, of n the conclusiveness of s in his possession). Dr. s personal testimony ecome stronger in a court of law than his its and tape-recordings. here could be a point e he could feel his life e more at risk. ocially, therefore, it is ble that Dr. Rhoadie's rse might be to release evidence "immediately, g everything he knows, uld cause the maximum to the South African hment but it ought to national basis. Dr. s fears of his assassina- There would of course



Rhoadie: hide and seek.

remain the danger of a revenge killing.

Dr. Rhoadie himself seems to be pursuing two contradictory courses. For while he describes the documentation as an insurance policy, he appears to have tried to sell it for \$200,000, according to some reports. It is possible, of course, that he failed to divvy any of the secret information Department funds into bank accounts in his own name, and needs money to live on. But perhaps he is uncertain of the long-term value of his insurance policy.

Non-pressure group

With the real beer cause amounting almost to a religion these days, it is not surprising that Penguin Books, with their broad coverage of matters theological, should put out a book on the subject. The surprising thing is that they didn't do it sooner since their knack of producing a useful volume at the time a topic reaches public interest is sometimes uncanny—for example, the Penguin Book of Kites three years ago.

The Penguin Guide to Real Ale and Beer was launched in a Covent Garden pub the other evening, with a selection of esoteric and praiseworthy brews for thirsty journalists to choose from. Not a pressure pump in sight, of course.

The author is Michael Dunn, 30, who has been closely involved with CAMRA (the Campaign for Real Ale) since its early days at the turn of the 1970s, when the wood veneer and piped music invasion of British alepubs was at its height and real beer breweries were falling like pub skittles.

Dunn turned out to be no back-slapping hearty with a beer belly, but a studious, bespectacled research officer working for the Department of the Environment—in the Clark Kent mould. However, like Clark Kent's alter ego, Superman, he has been highly active in putting the world to rights, at least so far as the quality of British beer goes.

He admits that his book is part of an angry reaction by people to the threat to the survival of real beer, stemming from "the

visits even have the opportunity to try on clothes of the period to get a real feel for the past.

The museum, which was the brainchild of two Americans who contributed parts of their own collection to it, is only one of its kind outside the U.S. And it is very much in the tradition of great American museums like Williamsburg in Virginia, Winterthur in Delaware and Stourbridge in Massachusetts.

These are part exhibitions and part re-creations of particular periods in American history. The American founders of the museum wanted to do the same in England albeit on a much smaller scale.

Since 1961, when the museum formally opened, the collection has grown steadily and each year a large crate full of gifts from American Friends of the Museum arrives in Bath. Indeed the museum is almost at the point where it is running out of space to display its new acquisitions.

Apart from its perfectly furnished rooms the museum sketches the history of the U.S. with a series of social displays about various ethnic groups who have contributed so much to the unique quality of American life. These include the American Indian, the Germans who settled in Pennsylvania and the Spanish colonists in New Mexico.

Amongst the good collection of silver, pewter and glass, the museum is particularly proud of its collection of patchwork quilts and its gallery of Folk Art housed in converted stables a little way away from the main house. Early American art, long neglected even in the U.S., is now much appreciated on both sides of the Atlantic and it is a fine exhibit.

Bath itself, of course, is especially popular with American visitors and some of them make their way to the museum. But the vast majority of its visitors are English and many are captivated on at least of the vastness and diversity of the United States.

Bath time

The tourist coaches are already beginning to re-appear in London and other centres after a winter break that seems to get shorter each year.

But there is one place in Britain where the natives can turn the tables and, for an afternoon, pay a "visit" to the U.S. without ever leaving the country. It is the American Museum near Bath—a country house devoted solely to the history of the U.S. from colonial times to the start of this century.

Set in beautiful country at Claverton only two miles from the centre of Bath, the museum has been designed to capture the flavour of America. Whole rooms, each from a distinct period of American history, have been shipped across the Atlantic and carefully re-assembled.

Fly path

Owners of radio-controlled model aircraft may already be aware that scientists with the Central Electricity Generating Board have begun to use such models to study more closely the smoke plumes from their 600-ft stacks. But they probably do not know how interested the Army is becoming in using a radio-controlled "chopper" to take a peek at a battlefield perhaps many miles away.

Later this spring two British

companies will be exhibiting a helicopter called "Wideye" at a meeting of the Association of Unmanned Vehicle Systems in San Diego. Wideye is much the size and shape of a beer barrel, fitted with twin co-axial rotors, "an aerial lawnmower," as one electronics man describes it. It weighs about 80 kilograms and stands about 6 ft tall.

It is the brainchild of Westland Helicopters and Marconi Avionics, born of the Army's problem that it has artillery today with a range significantly greater than any accurate means of gunnery. Wideye will take off from the roughest terrain, to be a television camera right above the battle.

Basically Wideye is a tank-spotter. Safe behind friendly lines sits the pilot, flying his chopper through a computer programmed to stop him from making silly demands of his machine. For example, it will stop him from pulling it into a stall, claims Vic Prior, Marconi's man responsible for the electronics. Beside the "pilot" will sit a more senior soldier, whose job it will be to interpret the TV image into instructions for the gun or mortar crews.

For the first time, Marconi says, the avionics (aircraft and electronics) has overtaken in value the cost of a flying machine and its powerplant. This company is responsible for the design of the electronic systems and for the truckload of control systems and data processing to back it up.

But Westland's role is not to be sniffed at. The chopper is designed to fly quietly—in relation, of course, to the noise of the battle—and to be almost undetectable by radar. And even if detected, its designers claim it will be extremely hard to track.

Travel tales

Anyone used to receiving post-cards from travel agents at their annual convention might be disappointed next week to find the postmark not that of Cannes, Palma or Athens but that of good old basic British resort of Blackpool. The Association of British Travel Agents was growing concerned that the grand overseas affairs were getting a little too jolly and a bit distant from the day to day operation of the High Street travel agent. So, after a bit of noll-biting it plumped for a domestic setting for a special Spring all-business, no frills, gathering. But would the agents, with all the world to choose from, say yes to Blackpool?

It need not have worried. Far from having to drum up business the travel agents leapt at the chance and last minute applicants for a place had to be turned away. Now the resort has the piquant pleasure of playing host to a gathering whose main topics of conversation will be the problems of selling foreign holidays, fuel surcharges and all.

Contributors:
Ian Davidson,
Michael Strutt,
David Bell,
David Fishlock.

Economic Diary

THURSDAY—Edgell by-election. Commons debate on White Paper on Broadcasting. Statement by National Housebuilding Council on 1979 prospects. International Energy Agency governing board reviews plan to cut oil consumption by 5 per cent. Energy Trends publication and stock changes (4th quarter—final). Department of Employment Gazette will include unemployment (February—final) employment in the production industries (January); overtime and short-time working in the manufacturing industries (January); and stoppages of work due to industrial disputes (February).

FRIDAY—Mr. David Steel, Liberal Party leader, addresses Welsh Liberal Party on eve of conference, Rhyl Town Hall. Mr. Denis Howell, Environment Minister, speaks at Association of Professional Executive, Clerical and Computer Staff conference, Blackpool.

TODAY—Mrs. Margaret Thatcher Opposition Leader, addresses Conservative Central Council, St. John's Hotel, Solihull.

MONDAY—Trades Union Conference—Labour Party Liaison Committee meets. House of Commons debates Defence Estimates White Paper and motion on redundant mine-workers concessionary coal order and on mieworkers' pensions scheme order. Ministers of the Organisation of Petroleum Exporting Countries meet in Geneva. Two-day meeting of EEC Agriculture Ministers opens, Brussels. TUC finance and general purposes committee meets, Congress House.

Israel and Egypt expected to sign peace treaty, Washington. Dr. Kurt Waldheim, United Nations General Secretary, addresses Royal Institute of International Affairs, London. German bankers' convention opens, Bonn. Mr. Len Murray, TUC general secretary, speaks

on the coming first pensioners' convention, Congress House. Details of Post Office "Prestel" public viewdata service.

TUESDAY—EC Energy Ministers meet, Brussels. National Federation of Building Trades Employers reply to construction unions pay claim. Royal Society of Health conference opens, Winter Gardens, Eastbourne. Equal Opportunities Commission statement on protective legislation. Mr. Joe Gornley, president of the National Union of Mine-workers, speaks at York Coal Exchange luncheon, Majestic Hotel, Harrogate.

WEDNESDAY—Debate in Commons on Conservative motion of no confidence in the Government. TUC general council meets, Congress House. Meeting of Labour Party national executive committee, Transport House. Statement by Clothier Export Council on export targets to the 1980s.

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David Morgan
M&G INVESTMENT MANAGEMENT LTD
Three Quays, Tower Hill
London EC3R 6BQ
Telephone: 01-626 4588

Contributors:
Ian Davidson,
Michael Strutt,
David Bell,
David Fishlock.

THE M&G GROUP

UK COMPANY NEWS

BIDS and DEALS

Newman-Tonks profits near £1m in first half

For the six months ended January 31, 1979, Newman-Tonks, the metal hardware group, lifted turnover from £10.46m to £14.85m and profits from £570,000 to £962,000 before tax of £500,000, against £348,000.

The level of trading for most companies in the group is encouraging and provided there are no further industrial disputes, the outcome of the year's trading should be satisfactory.

The Board anticipates some progress for the full year. For the whole of last year the group turned in a pre-tax profit of £1.42m (£1.37m).

Pifco marks time at halfway with £0.5m

TAXABLE profits of Pifco Holdings, the electrical appliances group, were virtually static in the half-year to October 31, 1978. The surplus stood at £501,000, against £478,000, and included investment income which rose from £51,500 to £57,900.

Rockwell raises proposed Wilmot offer to £24m

Rockwell International of the U.S. has increased its indicated offer for Wilmot Breeden from nearly £20m to £24m.

Wilmot's shares stood at 113p last night, a rise of 18p. Wilmot said that the offer was being considered and the group "will inform shareholders of its view regarding the offer in due course."

Mucklow advances to £1.44m and forecasts further progress

TAXABLE PROFITS of A. and J. Mucklow Group advanced from £1.11m to £1.44m in the half-year to December 31, 1978. And Mr. A. J. Mucklow, chairman, says the group will make further progress in the remainder of the year.

In the current year rent reviews arise on 1.2m sq ft of the 3.3m sq ft of factories which make up the total portfolio at July 1, 1977.

The chairman adds that the group has continued to acquire new sites for development. Of the trading activities, he says the sales volume of reconstituted stone responded to better demand and increased

EPC reveals impact of Canada interests

AUDITED ACCOUNTS of English Property Corporation for 1977-78 show pre-tax profit marginally ahead from £9.29m to £9.4m.

As forecast, the net total dividend is maintained at 2.3p with a 1.05p final. As indicated in the draft accounts, net asset value per 50p share for the fully consolidated group emerges at 71p (100p) basic and 68p (85p) fully diluted.

European group may take stake in Lonrho business

Lonrho, the international trading and industrial conglomerate said yesterday that there was a possibility that a major European company might take a stake in its business, but declined to say if negotiations were taking place.

The issue is to be decided by a poll of Lonrho shareholders at the beginning of next month. Yesterday also brought the first meeting between Mr. Tiny Rowland, Lonrho's chief executive, and Sir Hugh Fraser, deputy chairman of Scottish and Universal Investments, since Sir Hugh withdrew his support for Lonrho's bid for SUITS.

Mr. Fraser, family trusts however still retain a near 9 per cent stake in SUITS. When Lonrho made its last offer for SUITS—an all-share bid then worth £39m—these trusts accepted the Lonrho bid.

29% improvement by Hoechst UK

Pre-tax profits of £12.45m last year—29 per cent up on the 1977's £9.63m—are reported by Hoechst UK, a subsidiary of the German chemicals giant.

Mr. Mischler said the main problem facing the chemical industry was "the effect of the new oil and basic raw material prices on production costs, combined with under-utilised capacity."

Mr. Mischler said the UK industry would increase its production by 3 per cent, exports by 8 per cent and investment by 14 per cent—in real terms—during 1979 were now being achieved.

Friedland Doggart lower

FOLLOWING lower profits of £307,000 against £327,000 in the first half, Friedland Doggart Group slipped from £1.82m to £1.77m for the year ended December 31, 1978.

Saint Piran ginger group court action delayed

Injunction proceedings brought by the ginger group seeking to oust the board of Saint Piran were, yesterday, stood over until next Tuesday.

Minet agrees U.S. link terms

Minet Holdings, the Lloyd's of London insurance broker, has reached agreement with Fred S. James in a two-stage arrangement.

Minet also revealed details of the results of Minet's James International for the year ended September 30, 1977. Attrition profits were £361,486 (of which £305,752 was attributable to 31.8 per cent interest).

Minet's move follows the sale on Thursday of a 20 per cent stake in the company to Arthur Guinness Son and Co. as part of a £478,577 ordinary shares of White Child and Boney (32.05 per cent).

Results due next week

Interest in the City next week is likely to focus on the insurance sector, with preliminary figures due from Legal and General, the Prudential Corporation and insurance broker Alexander Rowden.

Following hard on the heels of results from the old unconstructed Sedgwick Forbes (pre-Bland Payne merger), Willis Faber, and C. T. Bowring come the annual figures from insurance broker Alexander Rowden.

City analysts' estimates of News International's pre-tax result for 1978, due on Thursday, range from £30m to £23m with the majority clustered around £21.5m.

Kitchen Taylor litigation

TWO shareholders who have taken legal action against Robert Kitchen Taylor, the knitwear manufacturer and textile merchant are seeking a declaration from directors of the company that they were in breach of their duty when they caused a share sale.

First details of the legal action emerged earlier this week when Mr. E. G. Libby, chairman of Robert Kitchen Taylor, told shareholders at the annual general meeting that the company was involved in litigation over the ownership of 750,000 of its shares formerly held by Mr. W. S. Hershman, the company's past chairman.

Guthrie bid nearing climax

The bid by Sime Darby (Holdings) for Guthrie Corporation moved towards its climax yesterday.

Sime announced that it has received acceptances which, with the 30 per cent stake it owns, amount to 43.7 per cent of Guthrie.

Supporters of Guthrie have been buying more of its shares without objection since the Take-over Panel has ruled that M and G Investment Management is not acting in concert with the Board or other parties.

Table of Final Dividends for various companies including Appleby Group, APV Holdings, Bantock Stores, BBA Group, etc.

Table of Announcements for various companies including Prudential Assurance Co., Royal Worcester, Schwabers, etc.

CIS makes £50m distribution

THE Co-operative Insurance Society is making a £50m payment to its policyholders in respect of 1978 following the valuation of life funds for that year.

On the main tables in the industrial division, the rate is lifted by 10p from £2.50 per cent to £3.50 per cent of the sum assured.

The rate depends on the number of completed years' premium paid and the scale of the ordinary section varies from £1.35 per cent of the sum assured after 10 years to £1.01 per cent for 40 years or more.

Property sales boost Gough Bros.

Gough Brothers, the wine merchants, as forecast, made a trading loss in the eight months to September 30, 1978.

This year's results will benefit from lower interest costs because of the cash released by the property disposals and stock reduction.

This year's results will benefit from lower interest costs because of the cash released by the property disposals and stock reduction.

DIVIDENDS ANNOUNCED

Table of Dividends Announced for companies like Bridport-Gundry, Friedland Doggart, etc.

Vertical text on the right edge including 'LMM', 'Sain', 'SUPPO', 'BY SU', 'EUROPEAN CP'.

SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and mergers

Loutrio has received clearance from the Office of Fair Trading to launch its anticipated bid for 0.76 per cent of Scottish and Universal Investments it does already own. The offer is on the basis of one Loutrio share for 100p cash for each SUI share. The bid has met opposition from the SUI's directors. Loutrio owns 19 per cent of House Fraser—a stake which would be raised to nearly 30 per cent if the SUI's succeeds.

Rockwell International and **Breedon** has resulted in an indicated offer for the latter per Wilmut share, a prospect which has been rejected as wholly unsatisfactory by the Wilmut Breedon board.

HAT Group, the specialist construction sub-contractors to local authorities, has agreed to acquire **Glass and Sayer** for £5.6m. HAT is offering two of its shares plus 57p for each Glass and Sayer share.

Boeing has been reached between property developers **London Park Estates** and investment trust **H. T. Investments** by the former will acquire the HTI share capital. It is said that HTI will make an expense-saving three-for-one issue to be followed by an offer of nine ordinary shares of £1 each for 40 shares in HTI; there is a cash alternative of 38p for each share. In the event of the offer becoming unconditional, the intention is to place HTI in liquidation to be transferred to additional funds on more favourable terms than could be obtained through a conventional rights issue.

Ward Group, the machine tool manufacturer, engineer and steel maker, has sold its main steel stockholder subsidiary, **Ward Ranken**, to the British Steel Corporation for cash.

Ward Ranken was suspended pending the completion of a possible acquisition and dealings were also suspended in **Estates and Agency** pending an announcement.

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PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)	Earnings* per share (p)	Dividends* per share (p)	Final Arr. date
Anglo-Swiss	59	55†	1.52	1.52	Armsstrong Eq.—
Ash Spinning	110*	107	0.88	1.30	John Bright —
Caledonian Hldgs.	174‡	168	1.69	13.0	Comei —
Caledonian Hldgs.	178‡	168	1.48	12.5	Radiosviton 11/4
Customagic	24†	24†	0.23	0.23	Lond. & Midland 30/3
English Prop.	60*	59	57.3	57.3	Mooloya 23/3
Glass & Metal	144†	140	5.69	Olympia & York Dev. 23/3	
Guthrie	523†	535	456	120.35	HAT 27/3
H. T. Invest.	140†	137	135	3.44	Stair Darby 27/3
Indo-European Property	90*	88	57.1†	12.77	Assoc. Comm.—
Jacksons Bourne End	100*	159	0.44	0.44	Rossminster Holdings 28/3
Jones, Richards & Threlk.	164‡	161	109	25.8	Noreros —
Lindsay & Woss	128†	120	107	9.3	RFD —
Srot. & Univ. Invest.	182‡	197	169	4.0	Lonbro —
Smith Wallis	163‡	160	148	14.3	R. Cartwright —
White Child & Bony	200*	200	108	4.88	A. Gulness 23/3

* All cash offer. † Cash alternative. ‡ Partial bid. § For capital not already held. ¶ Combined market capitalisation. † Date on which scheme is expected to become operative. †† Based on 23/3/79. ††† At suspension. †††† Estimated. ††††† Shares and cash. ††††† Unconditional.

INTERIM STATEMENTS

Company	Year to	Pre-tax profit (£000)	Earnings* per share (p)	Dividends* per share (p)
Banro Cons.	Dec.	1,070	(912)	10.9
Bemrose Carp.	Dec.	2,400	(1,780)	18.6
Bowling (C. T.)	Dec.	37,857	(32,756)	17.9
Brit. Alumtition	Dec.	25,089	(24,054)	195.0
Clay (Richard)	Dec.	1,901	(1,635)	12.5
Comben Group	Dec.	1,470†	(1,300)	6.07
Expanded Metal	Dec.	2,320	(2,230)	7.7
Fisher (James)	Dec.	2,260	(2,330)	27.1
Gartool Engrs.	Dec.	949	(1,050)	13.6
Gibbons Dredley	Dec.	4,071	(4,251)	19.6
Hepworth Crms.	Dec.	30,405	(26,720)	15.5
Horizon Midlands	Nov.	2,560	(1,020)	26.1
House of Lerosc.	Dec.	1,210	(1,010)	11.5
Inverses	Dec.	509	(2,229)	0.4
Jacobs (John I.)	Dec.	908	(2,385)	1.2
Liverpl. Dist. Post	Dec.	4,016	(4,024)	33.0
MacKay (Hugh)	Dec.	650	(313)	7.7
Metal Closures	Dec.	5,812	(5,365)	13.5
Molins	Dec.	11,600	(8,300)	23.4
Noble & Lond	Dec.	115	(215)	1.6
North Secs.	Dec.	115	(215)	1.6
Penolco Comm.	Jan.	9	135L	—
Pitard Group	Dec.	1,054	(1,694)	11.9
Quirk (H. & J.)	Dec.	1,030	(959)	8.2
Relyon FBWS	Dec.	1,490	(1,290)	10.6
Rennetlo Props.	Dec.	1,880	(1,420)	3.5
Rorkware	Dec.	7,020	(7,410)	27.8
Sharpe & Fisher	Dec.	1,220	(907)	5.6
Spencer (Geo.)	Dec.	455	(537)	3.6
Stone Platt	Dec.	9,509	(14,785)	16.9
Stuart Watson	Dec.	1,440	(915)	14.4
Tate of Leeds	Dec.	481	(340)	38.3
Tilling (The)	Dec.	64,900	(53,900)	24.6
Tomulio	Dec.	875	(731)	10.8
Tube Invs.	Dec.	80,000	(66,900)	84.3
Turner (W. & E.)	Dec.	1,370	(954)	6.2
Waterford Glas.	Dec.	10,605	(8,997)	6.1
Watnoughs	Dec.	1,104	(818)	14.4
Weir Group	Dec.	7,600	(9,120)	29.6
Western Motur	Dec.	240	(690)	8.9
Wms. & James	Dec.	751	(452)	35.9
Willis Faber	Dec.	19,140	(19,560)	21.7
Winston Estates	Dec.	408	(232)	4.6

* Earnings* Dividends* per share (p)
Wolfe Tools Dec. 2,970 (2,890) 11.1 (19.7) 1.43 (1.27)
Yorkshire Chems. Dec. 1,107 (1,348) 4.9 (9.6) 4.84 (4.77)

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)	Interim dividends* per share (p)
Armstrong Equip.	Dec.	4,270	(4,030)
Banks (Sidney C.)	Nov.	545	(425)
Barratt Dvys.	Dec.	8,160	(4,090)
Beezer (C. H.)	Dec.	321	(389)
Bejiam Group	Dec.	2,740	(2,340)
Bell (Arthur)	Dec.	8,674	(7,773)
Capeals	Dec.	306	(567)
Clark (Matthew)	Dec.†	1,680	(1,510)
Cope Allama	Dec.	5,931	(3,736)
Courney Pope	Nov.	425	(381)
Dawnay Day	Dec.	760	(1,020)
Fairview Estates	Dec.	2,340	(1,050)
Hartl. & Wyndham	Dec.	190	(170)
Hawley	Dec.	157	(236)
Lond. & Scot. Fin.	Jan.	375	(231)
Makin (J. & J.)	Sept.	474	(320)
Maynards	Dec.	1,210	(1,270)
Medminster	Dec.	95	(751)
Mills & Allen Intl.	Dec.	3,020	(2,120)
Phillips Potents	Sept.	21	(1)
Pressar Holdings	Jan.	556	(476)
Soga Hldys	Dec.	974	(1,922)
Sirdar	Jan.	1,480	(890)
Thorpe (F. W.)	Dec.	378	(1,270)
Waring & Gillof	Sept.	2,140	(1,440)
Yarrow	Dec.	905	(757)

(Figures in parentheses are for corresponding period.)
Dividends shown net except where otherwise stated.
† Adjusted for any intervening scrip issue. † Eight months.
‡ Nine months. L.Loss.

Scrip Issues

Fisher (James): One for two.
Waterford Glass: One for two.
Watnoughs Holdings: One for three.

CLIVE INVESTMENTS LIMITED
105 Exchange Ave., Luodon EC3V 3LU, Tel: 01-253 1101.
Index Guide as at March 29, 1979 (Base 100 on 14.1.77)
Clive Fixed Interest Capital 142.52
Clive Fixed Interest Income 121.59

LEN HARVEY & ROSS INVESTMENT MANAGEMENT LTD.
45 Cornhill, London, EC3V 3FB, Tel: 01-623 6314.
Index Guide as at March 22, 1979
Capital Fixed Interest Portfolio 107.05
Income Fixed Interest Portfolio 103.12

Macallan Glenlivet at £0.17m
INTEREST PAYMENTS more than doubled from £57,000 to £119,000 left taxable profit of Macallan - Glenlivet, whisky distiller, little changed at £160,000, against £161,000, for the half-year to January 31, 1979.

Sales were £0.3m better at £1.32m.
Trading levels are expected to be maintained in the second half but the directors do not foresee more than a modest advance in profit over last year's £0.4m.

Net interim dividend is raised to 2.0301p (2p)—the final last time was 3.1369p. Profit was also struck after leasing rentals of £100,000 (nil).

Silkolene rises to £0.87m
AFTER A fall of £191,000 to £301,000 at midway, Silkolene Lubricants reports profits before tax of £869,000 for 1978, compared with £777,000.

In their interim report, the directors said they did not expect second-half results to be much better than those for the first six months in view of difficult market conditions.
However the group had embarked on substantial capital expenditure to expand capacity of the special products plant.
Turnover for the year improved from £3.66m to £9.05m. Tax sales were £2.77m, giving earnings per share of 13.8p against 9.7p.
A second interim dividend of 1.6242p raises the total from 2.215473p to 2.4642p.

The net interim dividend is raised from 0.9p to 0.99p per 20p share. Last year's total payment was 2.1p from profits of £781,000.

The Board says a 592,000 foreign exchange loss, mainly relating to trading between subsidiaries in England and the U.S. affected the result. Although steps have been taken to reduce the losses they will continue, on a lower scale, in the second half.

With the exception of North Mills Textiles which is short of orders for yarn, the industrial section of the company's forward order book is satisfactory. The defence side of the clothing division in particular has large enquiries which, even if converted into orders shortly, will not materially affect current year results.

APPOINTMENTS

New chairman for Berger Jenson

Mr. N. M. Mischler, a non-executive director of BERGER JENSON AND NICHOLSON since 1975, is to become chairman on April 1. He will succeed Mr. A. J. Hughes, who will be leaving the group at the end of this month. Mr. Mischler will continue as chairman of Hoechst UK.

Sir James Sottomly, who retired from the Diplomatic Service in June last year, has joined the Board of JOHNSON MATTHEY AND CO. Sir James was appointed HM Ambassador in Cape Town in 1973 and became UK Permanent Representative to the Office of the United Nations in 1976.

Mr. Ernest W. Tyerman has been appointed a non-executive director of the BRITISH STEAM SPECIALITIES GROUP. He is deputy chairman of Coda International and a director of Societe Generale (France) Bank.

Mr. J. W. Webb, aviation underwriter, Andrew Weir Insurance, has been elected chairman of the AVIATION INSURANCE OFFICES ASSOCIATION.

Mr. J. J. Fardus, aviation underwriter, English and Arracan insurance, has become deputy chairman of the Association and Mr. R. F. Downer, group aviation underwriter, Commercial Union Assurance, has been re-elected honorary secretary and Treasurer.

Mr. Anne Franklin has been appointed managing director of SKF (UK) from May 1. He will replace Mr. Carl-Otto Bjomberg, who is to become head of the SKF company in Denmark. Mr. Franklin joins SKF from the Massey Ferguson Group where he is general manager. World Export Operations, responsible for business in Africa, Asia and Australasia.

Mr. A. W. Peachey, a director of International Paint—Industrial Coatings, has been made chairman of IP PACKAGING GROUP. Mr. M. P. Pragnell has been appointed to the Industrial Paint—Industrial Coatings Board as director, Packaging and Coll Coatings Division.

Mr. R. J. Daniel is to become a full-time member of the Board of BRITISH SHIPBUILDERS. He will be responsible for warship building from April 1. Mr. Daniel is at present director general ships at the Ministry of Defence, Bath.

Mr. George Weinberger, Treasurer of the Federation of the Wholesale and Industrial Distributors, has been appointed in the EUROPEAN COMMISSION'S COMMITTEE ON COMMERCE AND DISTRIBUTION.

Mr. Gordon Taylor and Mr. David Flower have become director and marketing manager, respectively of FAIRY EXHIBITIONS, a member of the Fairey Holdings group.

Mr. E. J. W. Whittr has joined the Board of PROBE ENGINEERING COMPANY, as a non-executive director.

Mr. Jack Campbell has been appointed general manager of the NORWICH UNION FIRE INSURANCE SOCIETY from June 1. He will also become a general manager of the other principal companies within the Norwich Union Group from that date.

117% GAIN IN FIVE MONTHS
29.9/78 White Child & Bony is a BUY at 52p—Equity Research
32/12/78 Sound value at 109p, BUY/HOLD—Strong possibility of a rising up bid by Arthur Guinness—Equity Research
19/2/79 ARTHUR GUINNESS BIOS 209p
For details of live trial offer telephone 01-455 2844 or write to EQUITY RESEARCH (Dept. FT24/3), Wardrobe Chambers, 148A, Queen Victoria Street, London, EC4V 5HO.

TO THE ORDINARY SHAREHOLDERS:

Saint Piran Limited

Five Years of Progress

	Turnover (£ million)	Pre-tax Profit (£ million)	Earnings per share (p)
1974 (15 months)	4.6	0.2	0.9
1975 (12 months)	7.5	0.2	1.8
1976 (12 months)	9.1	0.5	1.9
1977 (12 months)	12.3	2.1	10.5
1978 (12 months)	15.4	3.0	15.6
Increase since 1974	232%	1154%	1677%

Note: Percentages have been based on actual and not rounded figures.

SUPPORT YOUR OWN INTERESTS BY SUPPORTING YOUR BOARD ON MARCH 30th

Mark your company's yellow proxy card in the AGAINST columns. Send it to reach the address below by Wednesday, March 28th. Act now to avoid delay in the post.

SPL
Saint Piran Limited, National Westminster Bank Limited, P.O. Box 82, 37 Broad Street, BRISTOL, BS99 7YA.

THE FT INDEX IS ON THE MOVE.

Coral Index make a market on the movements of the FT Index. With a Budget imminent and an Election close, or very close to hand, the market will move.
Back your ideas or protect your interests by buying or selling the FT Index.
Coral Index also make a market on the Dow Jones and Hang Seng Indices.

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CORAL INDEX LTD.
A Division of the Coral Leisure Group
Berkeley Square House, London W1 Telephone STD 01-493 5261
Telegraphic address: Coralex, London, W1

INSURANCE BASE RATES
† Property Growth 12%
† Vanbrugh Guaranteed 10.82%
† Address shown under Insurance and Property Bond Tables.

EUROPEAN OPTIONS EXCHANGE

Series	Vol.	Last	Vol.	Last	Vol.	Last	Stock
BZ F.374.30	5	3.40	2	4.50	1	6	F.580
KZ F.27.50	40	1.80	3	3.10	7	4	F.28.60
KK F.30	10	0.70	10	1.70	11	4	F.31.00
KK F.34.50	5	0.10	65	0.80	61	1.80	F.35.00
KK F.30	5	0.50	4	0.50	1	1.70	F.32.50
KK F.30	5	1.50	1	1.90	1	4	F.74.70
KK F.75	1	—	—	—	—	—	F.85
KK F.80	1	—	—	—	—	—	F.95
KK F.25	10	—	10	—	—	—	F.100
KK F.30	10	—	10	—	—	—	F.105
KK F.34.50	10	0.40	59	1.40	35	2	F.50.00
KK F.35	10	—	16	0.40	14	1	F.55.00
KK F.37.50	40	—	10	0.10	—	—	F.60.00
KK F.35	25	—	2	—	—	—	F.65.00
KK F.35	1	—	19	—	43%	—	F.70.00
KK F.30	4	—	—	—	—	—	F.75.00
KK F.100	22	4.30	31	8	35	10	F.101
KK F.110	17	0.80	14	4.10	1	6.50	F.105
KK F.120	1	1.70	10	—	—	—	F.110
KK F.110	1	—	1	9.80	—	—	F.115
KK F.38.60	20	1.90	83	8.30	72	1.40	F.124.30
KK F.39	23	0.40	123	0.80	41	2.70	F.129
KK F.27.50	17	0.10	50	0.50	49	0.50	F.134
KK F.130	—	—	—	—	4	2.90	F.139
KK F.135	—	—	—	—	—	—	F.144
KK F.140	10	0.40	—	—	—	—	F.149
KK F.150	—	—	—	—	—	—	F.154
KK F.120	—	—	—	—	—	—	F.159
KK F.150	—	—	—	—			

Companies and Markets

Early 2.0 rise on Wall St.

INVESTMENT DOLLAR PREMIUM

Effective 32.0737 321% (221%) FURTHER MODEST gains were scored in active trading on Wall Street yesterday, after slumping off some initial weakness induced by disquieting news on inflation. By mid-day the Dow Jones Industrial Average was up another 2.00 to 863.51, making

Closing prices and market reports were not available for this edition.

a rise of 10.49 on the week, while the NYSE All Common Index, at 877.22, gained 13 cents on the day and 67 cents on the week. Advances led declines by more than a seven-to-one majority, while the trading volume expanded 906,000 shares to 18.23m compared with noon on Thursday.

THURSDAY'S STOCKS

Table with columns for Stock, Change, and Price. Includes entries like U.S. Industry, Gulf Oil, and Dow Chemicals.

The Labour Department reported that February Consumer Prices rose at an annual rate of 14.4 per cent. Bad news was expected but the figure was at the high end of Wall Street's estimates.

However, analysts said the Stock Market has been in an uptrend for several weeks, helped by strength in Oils, and they expect it to continue. Additionally, they said Thursday's report of a drop in the Basic Index Supply was encouraging since an increase had been expected.

Gulf Oil topped the active list, adding \$1 at \$271-trading included a block of 1m shares and another of 500,000. Active Texaco rose \$1 to \$281.

Dominic Mines surged ahead \$7 to \$271, while Campbell Redlake advanced \$11 to \$241.

IBM picked up \$1 to \$316. Skills were lifted \$2 to \$300—a Federal Court refused to block the merger of Skill and Emerson Electric.

UV Industries added \$1 at \$321 and UV Preferred jumped \$1 to \$321. Starm Steel lost a Court bid to win proxies to vote at a special UV holders meeting called to consider liquidation of the firm.

Active Penn Central rose \$1 to \$211. Great Atlantic and Pacific Tea

put on \$1 to \$61—it will close 174 unprofitable stores and reserve \$40m in the year ended February 24 to cover the closing costs.

The American SE Market Value Index rose 1.21 to 176.49, making a rise of 3.72 on the week.

Tejon Ranch jumped a further \$5 to \$511. Dome Petroleum added \$2 to \$111.

CANADA — Markets were moderately higher in fairly active noon trading yesterday, when the Toronto Composite Index rose another 3.6 to 1559.3.

The Gold Share Index spurted ahead \$4.7 to 164.40, Oil and Metals and Minerals put on 6.9 to 1325.9.

TOKYO—Slightly higher in moderate trading after late profit-taking pared early gains. Volume 240m shares.

Some Electronics and Cameras, however, lower as buying diminished.

SWITZERLAND — Narrowly mixed in moderate turnover. Some late selling attributed to Bourse rumours of proposed share repurchase by Roche.

Foreign Bonds recovered strongly after leading Swiss Syndicate announced postponement of Foreign Bond and Note issues. Domestic Bonds firmed in sympathy.

Dollar stocks slightly off, Dutch Internationals steady, Germans narrowly mixed.

Foreign Loans pushed prices up. Most leading stocks gained up to DM 2.

Bayerische Versicherung held unchanged at DM 272 despite statement that earnings this year expected to be barely changed from 1978.

Public Authority Bonds lost up to 50 pfennigs despite DM 7.9m of Bundesbank purchases. Mark Foreign Loans mostly unchanged.

AUSTRALIA—Firmly led by Oils, Base Metals and "speculative" Diamonds.

Kelvinator gained 26 cents to A\$2.31, following Email's bid. BHP firmed 25 cents to A\$11.40—it has begun testing Eastern fringe of new Porteusie field in Bass Strait.

JOHANNESBURG — Golds mixed in very quiet trading. Mining Financials quietly mixed. Copper up on up to 50 cents, Platinum eased.

Industrials generally firmer in small trading.

BRUSSELS—Mostly higher in more lively trading. UK and Dutch stocks also higher. Germans mixed, U.S. and French steady. Gold Mines little changed.

Indices

NEW YORK — DOW JONES

Table showing Dow Jones indices for 1978-79 and since completion. Columns include Mar. 22, Mar. 21, Mar. 20, Mar. 19, Mar. 18, Mar. 17, Mar. 16, Mar. 15, High, Low, High, Low.

MONTREAL

Table showing Montreal stock indices for 1978-79 and since completion.

TOBAGO Composite

Table showing Tobago Composite stock indices for 1978-79 and since completion.

JOHANNESBURG

Table showing Johannesburg stock indices for 1978-79 and since completion.

STANDARD AND POORS

Table showing Standard and Poors indices for 1978-79 and since completion.

Ind. div. yield %

Table showing industrial dividend yields for 1978-79 and since completion.

Long Gov. Bond Yield

Table showing long government bond yields for 1978-79 and since completion.

F.T. CROSSWORD PUZZLE No. 3930

A prize of £5 will be given to each of the senders of the first three correct solutions. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10 Cannon Street, London, EC4A 3DF. Winners and solutions will be given next Saturday.

Name _____

Address _____

Grid for crossword puzzle No. 3930.

ACROSS

- 1 Second by attending to part of paper (4, 4)
2 Crowded round international player that could go woman's head (3-3)
3 Sweet man at school crossing (8)
4 John in Ireland sues to church meeting in spirit (6)
5 Cut out hesitation in practice (8)
6 Kind of current tax admission (6)
7 Covers expenses by chance before seven (18, 4)
8 Hospital does not admit he's an invalid (13, 7)
9 Important chops in prison service (13, 3)
10 Dunderhead losing by a hole was cheated (4, 3)
11 Gracious Member has fallen into Scots river (4, 3)
12 Speaker wins one round in musical composition (8)
13 Cover for female weathermen found only perhaps between poles (6)
14 Abandoned with puncture on near side (14, 4)
15 DOWN
1 Put up, they say, as advertised (6)
2 Visitor to clear Leatherhead made (6)
3 Charge about a Pole with a ruler (6)

SOLUTION AND WINNERS OF PUZZLE No. 3924

Following are the winners of last Saturday's prize puzzle: Mr. S. S. Christie, 67 Greygoose Park, Harlow, Essex. Mr. P. A. Meachen, 15 Honeygate, Luton, Beds, LU2 5EP. Mr. J. Whitley, Lower Horns, Merran Dean, Andover, Hants.

RACES BY DOMINIC WIGAN

Staffordshire Knot can land Lincoln

A HIGH DRAW and a low weight were the chief requisites for Lincoln hopefuls, and I suspect that the winner of this afternoon's handicap at Doncaster will be either Better Blessed or Staffordshire Knot who seem to fit the bill. The favourite for this 23-runner handicap, Better Blessed, draws 16-2, which will amply satisfy William Hastings-Bass, Staffordshire Knot, 3 lb lighter, is in the prime position, 21. There is no denying the claims of Better Blessed, who has been laid out for this race.

DONCASTER

- 1.45—Saracena Prince
2.15—Kassak
2.25—Staffordshire Knot***
3.25—Standish
3.35—Chapel Break
4.25—Lockeridge**
4.55—Speed Bonnie Boat*

ever since the weights were published. A game winner of the International Harvester Handicap two seasons ago, Better Blessed ran several good races last term, in spite of the penalty of a stiff handicap mark in the International Harvester race.

His only disappointing run was in Sandown's 11 mile Hong Kong Handicap. Backed down

from 11-3 to 3-1 favourite in a field of eight, which included such top-class handicappers as Lucent and Sunday Guest. Better Blessed finished sixth.

Although his chance was not improved by fast ground, and the fact that Celtic Pleasure carried him slightly over entering the straight, Better Blessed was undoubtedly a shade below par.

In his two races this season at Cagnes-sur-mer, the market favourite showed that he remains more than useful and will line up ready to run the race of his life.

Staffordshire Knot, another who has won on this flat galloping track, proved his toughness with three victories from 12 outings in 1978.

On the 50 from mid-May, when he made his seasonal debut at Ripon, Staffordshire Knot ran at regular intervals until ending his season with a fourth-place in the Ollerton Handicap on November 10. In the opening five months, Ripon Hollinshed's Welsh Paganet chestnut picked in three prizes with victories at Haydock, Ripon and at Doncaster.

In a race which invariably produces a tight finish, I intend to back the chance with Staffordshire Knot, whose trainer, has already struck winning form with Nice Value.

Award for Sir John Methven

SIR JOHN METHVEN, director-general of the CBI, was named "Communicator of the Year" at an award ceremony in London yesterday. The presentation was made by Lord Watkinson, and the contest was organised by the British Association of Industrial Editors.

Sir John was selected from hundreds of nominations by a panel including Lord Ritchie-Calder, author, journalist and professor of international relations at Edinburgh University and George Bull, editor-in-chief of The Director.

SPAIN

Table showing Spanish stock indices for 1978-79 and since completion.

PARIS

Table showing Paris stock indices for 1978-79 and since completion.

AMSTERDAM

Table showing Amsterdam stock indices for 1978-79 and since completion.

TOKYO

Table showing Tokyo stock indices for 1978-79 and since completion.

MILAN

Table showing Milan stock indices for 1978-79 and since completion.

NOTES

Prices exclude 5% premium. Belgian dividends are after withholding. * OMSO demom, unless otherwise stated. ** Oms, 50 demom, unless otherwise stated. * Kt, 100 demom, unless otherwise stated. * S, 50 demom, unless otherwise stated. * C, 100 demom, unless otherwise stated. * D, 100 demom, unless otherwise stated. * E, 100 demom, unless otherwise stated. * F, 100 demom, unless otherwise stated. * G, 100 demom, unless otherwise stated. * H, 100 demom, unless otherwise stated. * I, 100 demom, unless otherwise stated. * J, 100 demom, unless otherwise stated. * K, 100 demom, unless otherwise stated. * L, 100 demom, unless otherwise stated. * M, 100 demom, unless otherwise stated. * N, 100 demom, unless otherwise stated. * O, 100 demom, unless otherwise stated. * P, 100 demom, unless otherwise stated. * Q, 100 demom, unless otherwise stated. * R, 100 demom, unless otherwise stated. * S, 100 demom, unless otherwise stated. * T, 100 demom, unless otherwise stated. * U, 100 demom, unless otherwise stated. * V, 100 demom, unless otherwise stated. * W, 100 demom, unless otherwise stated. * X, 100 demom, unless otherwise stated. * Y, 100 demom, unless otherwise stated. * Z, 100 demom, unless otherwise stated.

NEW YORK

Large table of New York stock market data including various stock prices and indices.

STOCK

Table of stock market data for various international markets including London, Paris, Amsterdam, Tokyo, and Milan.

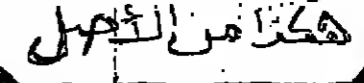
CANADA

Table of Canadian stock market data including various Canadian stock prices and indices.

Advertisement for 'can de' and other products, including 'MOUNTIES' and 'OPPER SUI'.

and Markets

INTERNATIONAL COMPANIES and FINANCE



Bank demand lifts Bank Bumiputra

NG SULONG IN KUALA LUMPUR

Bank Bumiputra, one of the banks in Malaysia, reported a 60 per cent rise in profits...

The unusual inclusion of three lead managers in the management group was to give the issue a Middle Eastern flavour with the addition of the National Bank of Kuwait.

Asea plans to extend activities in U.S. market

BY ROBERT GIBBENS IN MONTREAL

VAESTERAAS - Asea, the Swedish electrical engineering group, is discussing with a large U.S. group the formation of a joint electrical equipment...

Hudson's Bay directors reject Thomson bid

BY ROBERT GIBBENS IN MONTREAL

THE HUDSON'S Bay Company Board has rejected the C\$365m (U.S.\$312m) offer by the Thomson family interests for 51 per cent of the Bay's outstanding stock.

control of Zeller's Department Store chain to the Bay. The Bay statement said that underlying value of net assets is "not less than C\$47 a share before tax and C\$41 after tax."

David Jones earnings edge up

BY FORTH IN SYDNEY

DAVID JONES, the department store group, edged earnings up 2.7 per cent from A\$4.19m (U.S.\$4.7m) in the first three months of 1979.

Finance dipped 3.7 per cent to A\$203.000. Total sales rose 9.2 per cent from A\$232.6m to A\$253.8m (U.S.\$288m).

Malayan Breweries payout

BY H. F. Lee in Singapore

GROUP PRE-TAX profit at Malayan Breweries—the largest brewery group in Singapore and Malaysia—for the six months to December grew by only 3.3 per cent, to S\$18.09m (U.S.\$8.3m).

Foreigners buy Japan bonds

TOKYO - Foreigners were net buyers of Japanese bonds in February, the finance ministry has announced.

Foreigners were net sellers of Japanese stocks in the month by 17.7bn against BFR 16.6bn including VAT.

Commerzbank surges ahead in first two months

FRANKFURT - Earnings of Commerzbank, one of West Germany's three major commercial banks, were "some millions of marks" higher in the first two months of 1979 than in the same period of last year.

Dividend lift at Wagons Lits

BRUSSELS - Cie Internationale des Wagons Lits et du Tourisme SA reported a net dividend for 1978 of BFR 40, compared with BFR 35 last year.

SwFr foreign bonds postponed

THE THREE major Swiss banks have decided to postpone most foreign Swiss franc bonds for the time being to give the market time to digest the huge volume of new issues announced in recent weeks.

Commodities/Review of the week

Commodities Staff

PRICES surged to the level for five years on the Metal Exchange this week as wirebars rose the highest in succession to close at \$1,082.5 a ton up on a week ago.

Market Reports

Base Metals

COPPER-Finner again in arrears. London Metal Exchange. Finner buying lifted forward metal to £7.00 on the early market but the market was quiet in afternoon.

AMERICAN MARKETS

NEW YORK, March 22

Cocoa-May 146.25, 144.50, 143.00, 141.50, 140.00, 138.50, 137.00, 135.50, 134.00, 132.50, 131.00, 129.50, 128.00, 126.50, 125.00, 123.50, 122.00, 120.50, 119.00, 117.50, 116.00, 114.50, 113.00, 111.50, 110.00, 108.50, 107.00, 105.50, 104.00, 102.50, 101.00, 99.50, 98.00, 96.50, 95.00, 93.50, 92.00, 90.50, 89.00, 87.50, 86.00, 84.50, 83.00, 81.50, 80.00, 78.50, 77.00, 75.50, 74.00, 72.50, 71.00, 69.50, 68.00, 66.50, 65.00, 63.50, 62.00, 60.50, 59.00, 57.50, 56.00, 54.50, 53.00, 51.50, 50.00, 48.50, 47.00, 45.50, 44.00, 42.50, 41.00, 39.50, 38.00, 36.50, 35.00, 33.50, 32.00, 30.50, 29.00, 27.50, 26.00, 24.50, 23.00, 21.50, 20.00, 18.50, 17.00, 15.50, 14.00, 12.50, 11.00, 9.50, 8.00, 6.50, 5.00, 3.50, 2.00, 0.50.

Commodity Price Changes

Table with columns: Commodity, Unit, 1978/79 High, 1978/79 Low, 1979/79 High, 1979/79 Low. Lists various commodities like Wheat, Corn, Soybeans, etc.

Market Reports

Table with columns: Commodity, Unit, Price, Change. Lists various commodities like Copper, Silver, Gold, etc.

Market Reports

Table with columns: Commodity, Unit, Price, Change. Lists various commodities like Rubber, Coffee, Cocoa, etc.

Market Reports

Table with columns: Commodity, Unit, Price, Change. Lists various commodities like Soybean Meal, Sugar, Grains, etc.

Unquoted. * Nominal. † Medalspec.

Stock Exchange Dealings

Table with columns for date (Thursday, March 22, Tuesday, March 20, Monday, March 19, Friday, March 16, Thursday, March 15) and corresponding values (7,344, 6,004, 7,259, 6,691, 7,032).

The list below records last Thursday's marking and also the market's reaction during the previous four trading days of any shares not marked on Thursday. The latter can be distinguished by a star (*) in parentheses.

The number of dealings marked on Thursday in each section follows the name of the section. Unless otherwise denoted shares are fully paid and stock 100 fully paid. Stock Exchange securities are quoted in pounds and fractions of pounds or pence and fractions of pence.

The list below shows the prices at which bargains were done by members of the Stock Exchange. The bargains are marked with a star (*). Members are not obliged to mark bargains, except in special cases, and the list has been done, however, as a complete record of prices at which business has been done. Bargains are recorded in the following day's Official List. No members of the public are permitted to buy or sell securities at bargain prices, but only one bargain in any one security at any one price is recorded.

Bargains done with or between non-members. Bargains done with members of a recognised Stock Exchange, and bargains done for delayed delivery, are not included in this list.

Singapore: SWS—United States; SW—Switzerland; S—Singapore; SWS—United States; SW—Switzerland; S—Singapore.

Chambers Parous (50) 26. Foster Bros. (20) 200 1/2 60. F. & S. (20) 100 1/2 100. F. & S. (20) 100 1/2 100.

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Q-R-S

Q-R-S section containing various stock listings and prices.

T-U-V

T-U-V section containing various stock listings and prices.

W-X-Y-Z

W-X-Y-Z section containing various stock listings and prices.

AA-AB

AA-AB section containing various stock listings and prices.

AC-AD

AC-AD section containing various stock listings and prices.

AE-AF

AE-AF section containing various stock listings and prices.

AG-AH

AG-AH section containing various stock listings and prices.

AI-AJ

AI-AJ section containing various stock listings and prices.

AK-AL

AK-AL section containing various stock listings and prices.

AM-AN

AM-AN section containing various stock listings and prices.

AO-AP

AO-AP section containing various stock listings and prices.

AQ-AR

AQ-AR section containing various stock listings and prices.

AS-AT

AS-AT section containing various stock listings and prices.

AV-AW

AV-AW section containing various stock listings and prices.

FINANCIAL TRUSTS (31)

FINANCIAL TRUSTS (31) section containing various trust listings and prices.

INSURANCE (28)

INSURANCE (28) section containing various insurance listings and prices.

GAS (9)

GAS (9) section containing various gas listings and prices.

INVESTMENT TRUSTS (28)

INVESTMENT TRUSTS (28) section containing various investment trust listings and prices.

UNIT TRUST AND INSURANCE OFFERS

UNIT TRUST AND INSURANCE OFFERS section containing various unit trust and insurance offers.

UK PROVIDENT

UK PROVIDENT section containing information about UK Provident.

ALLEN HARVEY & ROSS INVESTMENT MANAGEMENT LTD.

ALLEN HARVEY & ROSS INVESTMENT MANAGEMENT LTD. section containing information about the firm.

SCHLESINGER TRUST MANAGERS LTD.

SCHLESINGER TRUST MANAGERS LTD. section containing information about the firm.

CITY OF WESTMINSTER ASSURANCE

CITY OF WESTMINSTER ASSURANCE section containing information about the company.

TARGET LIFE ASSURANCE LTD.

TARGET LIFE ASSURANCE LTD. section containing information about the company.

GARTMORE FUND MANAGERS LTD.

GARTMORE FUND MANAGERS LTD. section containing information about the firm.

LONDON LIFE LTD.

LONDON LIFE LTD. section containing information about the company.

EAGLE STAR INSURANCE CO.

EAGLE STAR INSURANCE CO. section containing information about the company.

VANBURGH LIFE ASSURANCE LTD.

VANBURGH LIFE ASSURANCE LTD. section containing information about the company.

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Page 10

Page 11

Page 12

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Page 14

BRITISH FUNDS (65)

BRITISH FUNDS (65) section containing various fund listings and prices.

COMMONWEALTH GOVTS.

COMMONWEALTH GOVTS. section containing various government stock listings and prices.

STERLING FOREIGN CURRENCY BONDS

STERLING FOREIGN CURRENCY BONDS section containing various currency bond listings and prices.

FOREIGN CORPS. (23)

FOREIGN CORPS. (23) section containing various foreign corporation listings and prices.

BANKS (26)

BANKS (26) section containing various bank listings and prices.

CORPORATIONS (47)

CORPORATIONS (47) section containing various corporation listings and prices.

BREWERIES (23)

BREWERIES (23) section containing various brewery listings and prices.

COMMERCIAL (4,495)

COMMERCIAL (4,495) section containing various commercial listings and prices.

SINGAPORE

SINGAPORE section containing various Singapore market listings and prices.

PUBLIC BONDS (13)

PUBLIC BONDS (13) section containing various public bond listings and prices.

FREE OF STAMP BUY

FREE OF STAMP BUY section containing various stamp-free listings and prices.

UNIT TRUST AND INSURANCE OFFERS

UNIT TRUST AND INSURANCE OFFERS section containing various unit trust and insurance offers.

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ALLEN HARVEY & ROSS INVESTMENT MANAGEMENT LTD.

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Financial Times Saturday March 24 1979

Table of financial data including stock prices, company names, and market indicators.

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LOCAL AUTHORITY BOND TABLE

Table listing local authority bonds with columns for Authority, Annual Interest, Life, and Bond details.

BUILDING SOCIETY RATES

Table listing building society rates for various products like National, Thrift, and others.

SPECIAL LIST

Table listing special list securities with columns for Name, Price, and other details.

RULE 163 (1) (e)

Text explaining Rule 163 (1) (e) regarding securities listed on an Overseas Stock Exchange.

RULE 163 (2) (a)

Text explaining Rule 163 (2) (a) regarding applications for specific bargains in securities.

RULE 163 (3)

Text explaining Rule 163 (3) regarding companies engaged solely in mineral exploration.

RULE 163 (4)

Text explaining Rule 163 (4) regarding companies engaged solely in mineral exploration.

RULE 163 (5)

Text explaining Rule 163 (5) regarding companies engaged solely in mineral exploration.

RULE 163 (6)

Text explaining Rule 163 (6) regarding companies engaged solely in mineral exploration.

RULE 163 (7)

Text explaining Rule 163 (7) regarding companies engaged solely in mineral exploration.

UK MONEY MARKET

Text discussing the UK money market, including the Bank of England's minimum lending rate and Treasury bill rates.

EXCHANGES AND BULLION

Text discussing exchange rates and bullion prices, including the US dollar's performance.

OTHER MARKETS

Table listing other market data including Argentina, Brazil, and other international markets.

LONDON MONEY RATES

Table listing London money rates for various currencies and financial instruments.

EURO-CURRENCY INTEREST RATES

Table listing Euro-currency interest rates for various currencies and maturities.

UK CONVERTIBLE STOCKS 23/3/79

Table listing UK convertible stocks with columns for Name, Size, Current Price, and other details.

STATISTICS PROVIDED BY STREAM

Table providing statistics from STREAM, including income and conversion data.

STATISTICS PROVIDED BY STREAM

Table providing statistics from STREAM, including income and conversion data.

STATISTICS PROVIDED BY STREAM

Table providing statistics from STREAM, including income and conversion data.

STATISTICS PROVIDED BY STREAM

Table providing statistics from STREAM, including income and conversion data.

LONDON STOCK EXCHANGE

Equity index jumps 20 points and Government stocks rise 1 1/2 as markets go for Tory election victory

Account Dealing Dates
Option
First Declara- Last Account
Dealings Dates Dealings Day
Mar. 22 Mar. 22 Mar. 23 Apr. 3

The response in stock markets yesterday to the Conservative no-confidence motion, which heightens the chances of a spring General Election, was of all-round strength and the FT 30-share index staged its biggest single-day advance since July 1, 1975, to close 20 points higher at 534.6, or only 0.9 off its 1978-79 peak and within 15 points of its best-ever level recorded in September, 1977.

Enthusiasm for the prospect of a Tory victory and the return of an administration expected to be more committed to the needs of industry, institutional and other buyers were undeterred by a widespread and substantial mark-up in prices at the 9.30 am opening. This generally enhanced leading industrials and was reinforced by a rise of 12 points some 30 minutes later in the first index of the day.

Demand very largely represented genuine investment buying with the amount of new-time business for the next trading Account being relatively insignificant. Early profit-taking from professionals operating on an account basis was readily absorbed and values moved progressively higher throughout the afternoon.

The upturn became more pronounced after 2.30 pm official close, when dealings are allowed to take place in the new trading Account, and final rises in four index constituents ranged between 2 1/2 and 3 1/2. Blue Circle, Glaxo, GEC and Beecham. The three main indices of the broad-based FT-actuarial series all advanced by about 3 per cent to record fresh record highs since compilation started in 1962.

Motivated by the same reasons as equities, gilt-edged securities gained 1 1/2 points and more. Exchange 121 per cent 1999, the new Government stock issued by tender at 137, began life yesterday in 140-point form at 140, went on to settle at the day's best of 142, or a premium of 2 1/2 on the tender price.

Interest naturally revolved around the newcomer, although the volume of trade throughout the sector was large and included

demand from overseas as well as domestic sources. Other long-dated issues closed with gains extending to 1 1/2 points, but the shorts (tended to be overshadowed and edged away from the best levels to end around 1/2 better.

Rates for investment currency warmed to a resurgence of demand as institutional and other buyers cast aside their recent reservations. After a large two-way trade, the premium closed 31 points higher at the day's best of 69 1/2 per cent; earlier in the week it had fallen to 64 per cent. Yesterday's SE conversion factor was 0.7599 (0.7745).

Banks sharply higher
Recently staid home banks claimed a good deal of attention and closed with impressive gains. Barclays rose 20 to 450p and Lloyds 22 to 340p, while Midland and NatWest appreciated 18 apiece to 413p and 350p respectively. Standard and Chartered firmed 11 to 475p and Bank of Scotland 9 to 344p.

Second thoughts about the possible merger of the U.S. insurance banking operations with Pinchett left Stenhouse T down at 98p. C. T. Bowring, on second thoughts about the annual results, improved 3 to 134p. Other insurance issues mirrored the general trend and closed with widespread and sometimes substantial improvements.

A good two-way business in the drinks sector saw most issues record useful gains, although Brewery leaders tended to close below the day's best. Guinness advanced 2 1/2 to 251p, while 182p for a net rise of 4, while Bass added 7 to 197p, after 183p. Allied rose 3 to 93p, Aming Distillers, Matthew Clary attracted support and rose 12 to 170p accompanied by vague rumours of an American approach. Distillers put on 8 to 251p, while Arthur Bell, depressed recently by the disappointing interim statement, rallied 6 to 184p.

Leading Buildings issues displayed impressive gains in a virtual one-way trade. Blue Circle featured with a leap of 20 to 325p, while BIR put on 11 to 290p, and Tarmac 7 to 192p. London Brick added 3 to 79p and Itstock Johnson, annual results Monday, gained 5 to 202p. Marley were sought, at 101p, up 9, while, in Timbers, Magnet and Southern stood out with a like gain at 170p. Coalfields issued useful support and the ordinary gained 15 in 196p with the deferred 10 up at 145p, while Taylor Woodrow and SGB appreciated 18

apiece to 393p and 245p respectively. Pochins added 8 for a two-day gain of 18 to 150p, while further consideration of the annual results lifted Sharpe and Fisher 3 to 76p.

Apart from a mid-morning pause, ICI made a progress of 405p. Fisons added a like amount to 320p, while other gains of note included Rentokil, which rose 7 to 101p.

Stores buoyant
A hectic business in Stores resulted in large gains across the board. Burton issues again led the field, the Ordinary rising 7 to 257p and the A 11 to 253p, for rises of 14 and 19 respectively on the week. Gussies A moved ahead 14 to 396p after 395p, while Marks and Spencer added 5 to 102p. Mail order issues were especially firm, Empire closing 9 better at 218p, Grattan adding 12 to 166p and Freeman's annual results due on Monday week, rising 10 to 164p. Buying interest was maintained in H. Sammel, 13 higher for a two-day rise of 30 to 222p. In Shoes, Weara hardened 21 to 44p following a Press mention.

A useful demand arose for Electrical issues where gains were widespread and often substantial. GEC featured the leaders with a jump of 26 to 411p, while Thorn were also notable, worthily at 404p, up 18. Late support was forthcoming for Grippers, moved up on Monday week, rising 10 to 164p. Buying interest was maintained in H. Sammel, 13 higher for a two-day rise of 30 to 222p. In Shoes, Weara hardened 21 to 44p following a Press mention.

Persistent demand pushed the Engineering leaders to higher levels with John Brown 17 higher at 552p, Tubes 16 up at 422p, and Hawker Siddeley, 14 better at 246p all outstanding GKN put on 10 to 278p. Elsewhere, demand ahead of next Thursday's preliminary results led APV 30 higher at 390p, Jones and Shipman encountered fresh support at 184p, up 8, while similar rises were marked against Renold, 112p, Adwest, 321p, and Wagon Industrial, 168p. Still reflecting satisfactory preliminary figures, Williams and James moved up 12 to 190p for a two-day gain of 20. Steno Engineering were again wanted and put on 10 more to 330p, while Wolf Tools responded to the increased dividend and profits with a rise of 5

LWT "A" stood out with a rise of 7 to 170p. Reports that Rockwell, whose 95p per share approach to Wilmot Breeden was rejected on Wednesday, were attempting to buy a 30 per cent stake in the market lifted Wilmot 18 to 113p, after 115p; the offer of 115p cash was announced late last evening. Elsewhere in Motors, Dimple added 3 to 74p, while ERF put on 6 for a rise on the week of 15 to 117p and Lotus rose 3 to 50p.

London registrars, with preliminary results due next Thursday, again provided the main feature among Newspapers with a rise of 21 to record a two-day gain of 30 at 321p. Pearson Longman were also firm, adding 8 to 250p, while Associated Book Publishers closed the same amount up at 313p. Elsewhere, Dickinson Robinson hardened 4 to 127p ahead of results due April 10.

Outstanding gains in Properties were usually confined to leading British Land, which became prominent, rising 4 to 701p, while Land Securities firmed 9 to 283p and MEPC 7 to 183p. Stock Conversion, 342p, and Bernard Sunley, 330p, both added 6, while Slough Estates, annual results next Thursday, put on 4 for a two-day rise of 8 to 154p. Elsewhere, Regional "A" attracted further speculative support following Press mention and put on 5 to 113p for a gain on the week of 15p, while satisfactory interim profits lifted A and J. Macklow 3 to 148p.

Oils lively
A brisk trade developed in the Oil sector and, with buyers well in command as the day wore on, final quotations were around the best. British Petroleum rose 15 to 1102p and Shell 22 to 722p. Outside the leaders, Rycentrol were supported and moved up 8 to 182p, while Ultramar took a turn for the better after the recent bout of profit-taking and rallied 5 to 127p. Scitich and Universal Investments firmed 6 more to 197p awaiting further developments in the bid situation.

Leisure issues displayed two sharply contrasting features in Horizon Midlands, up 15 for a two-day gain of 21 to 203p in response to the annual results, and Saga Holidays, which fell 20 for a two-day loss of 20 to 200p, after 194p, on further reflection of the disappointing interim figures. In Televisions,

dullness and gained 4 1/2 to 99p, while P. and O. Deferred closed similarly down at 82p. Among Textiles, Courtaulds added 7 to 112p, while Press suggestions of a merger between Carrington Virella and Nottingham Manufacturing helped the latter rise 4 to 189p.

Following the extension of Sime Darby's offer until Monday, Granite encountered a brisk trade and rose 12 to 833p after 840p; M & G continued to buy stock and now control 12.85 per cent of Guthrie. Sime Darby, who announced acceptance to its offer of just under 44 per cent, firmed 3 to 92p.

Gold edge up
A further recovery in the investment currency premium and a steady bullion price enabled South African Golds to end the week on a firm note but, as was the case throughout the week, business remained at a low level.

The Gold Mines index gained 2.6 to 161.7 but was still 8.0 lower over the week, while the ex-premium index eased 0 1/2 to 123.2. Features in Golds were few and far between but East Rand Proprietary marked a 14 rise at 296p following the chairman's statement. Heavyweights, put on as much as 1 1/2 in West Driefontein, 222, while medium-priced issues showed East Driefontein 11 up at 109p.

Financials were in demand throughout the day, reflecting the upsurge in UK equities and the recent gains in the copper price. Rio Tinto-Zinc, 7 up at 315p, and Gold Fields, 3 firmer at 296p, both attained 1978 highs, while Charter advanced 5 to 172p.

The five-year high reached by the copper price encouraged a strong investment demand for Messina, which climbed another 8 to 98p—a gain on the week of 12, while Palabora added 10 at 680p. On the other hand, the antimony producer Consolidated Marchion dropped 25 to 265p following the chairman's disappointing statement which prompted fairly substantial selling from Johannesburg.

The rally in the premium and a firmer trend in overnight domestic markets, produced widespread but minor gains in Australias. Base-metal producers did well with Manganese and H&H Holdings around 4 better at 139p and 237p respectively.

FINANCIAL TIMES STOCK INDICES
Table with columns: Index, March 23, March 22, March 21, March 20, March 19, March 18, March 17, 1 year ago.

HIGHS AND LOWS
Table with columns: Index, High, Low, S.E. ACTIVITY, High, Low, March 23, March 22.

DEALING DATES
Table with columns: Dealings, Last, Deal-Declar, Last, Settling, Last.

NEW HIGHS AND LOWS FOR 1978/9
Table with columns: Index, High, Low, S.E. ACTIVITY, High, Low, March 23, March 22.

RISES AND FALLS
Table with columns: Index, Yesterday, On the week, Up, Down, Same.

LONDON TRADED OPTIONS
Table with columns: Option, April, July, Oct., Equity close.

ACTIVE STOCKS
Table with columns: Stock, Denomina, No, Closing, Change, 1978-79, 1978-79.

FT-ACTUARIES SHARE INDICES

Table with columns: EQUITY GROUPS & SUB-SECTIONS, Fri, March 23, 1979, High, Low, 1978-79, Since Completion.

BASE LENDING RATES
Table with columns: Bank, Rate, Term.

FIXED INTEREST STOCKS
Table with columns: Issue, Price, Yield, Stock, Closing Price.

Renunciation date usually last day of dealing free of stamp duty. Figures based on prospectus estimates. Assumed dividend yield. Forecasts based on cover based on previous year's earnings. P/E based on yield based on prospectus or other estimate for 1979. G/area. Figures assumed. Cover allows for conversion of shares into new ranking for dividend or ranking only for restricted dividends. Placing price to public. Offer unless otherwise indicated. Issued by tender. Offered to holders of ordinary shares as a "rights" issue. Issued by way of capitalisation. Issued by way of conversion of preference shares. Allotment letters (or July-paid). Provisional or partly-paid allotment letters. With warrants. Cum dividend. Unlisted securities.

AUTHORISED UNIT TRUSTS

Table listing various unit trusts such as 'Murray Johnson U.K. Mgr. V', 'National Provincial Inv. Mgr. Ltd.', and 'Gibbs (Antony) Unit Tr. Mgr. Ltd.' with columns for fund names, managers, and performance metrics.

Table listing insurance and property bonds including 'Provincial Life Inv. Co. Ltd.', 'Schlesinger Trust Mgrs. Ltd.', and 'Target Tr. Mgrs. (Scotland) (a) (b)'.

INSURANCE AND PROPERTY BONDS

Table listing insurance and property bonds such as 'Abbey Life Assurance Co. Ltd.', 'London Indemnity & Gen. Ins. Co. Ltd.', and 'The London & Manchester Assn. of Eq. V'.

Table listing offshore and overseas funds including 'Alexander Fund', 'Allen Harvey & Ross Inv. Mgr. (G.L.)', and 'Bank of America International S.A.'.

OFFSHORE AND OVERSEAS FUNDS

Large table listing offshore and overseas funds such as 'Keyser Ullmann Ltd.', 'Keyser Ullmann Ltd.', 'Keyser Ullmann Ltd.', and 'Keyser Ullmann Ltd.' with detailed fund information.

NOTES: This section contains explanatory text regarding the data presented in the tables, including details on fund performance and reporting standards.

THE SCOTCH OF A LIFETIME



The Buchanan's Blend

FT SHARE INFORMATION SERVICE

FOOD, GROCERIES—Cont.

1978-79 High	1978-79 Low	Stock	Price	±	%	Div. Yield
120	115	Clifford's	120	+	1.5	4.5
125	120	Clifford's	125	+	2.0	5.0
130	125	Clifford's	130	+	2.5	5.5
135	130	Clifford's	135	+	3.0	6.0
140	135	Clifford's	140	+	3.5	6.5

ENGINEERING—Continued

1978-79 High	1978-79 Low	Stock	Price	±	%	Div. Yield
100	95	Allen W.G.	100	+	1.0	3.0
105	100	Allen W.G.	105	+	1.5	3.5
110	105	Allen W.G.	110	+	2.0	4.0
115	110	Allen W.G.	115	+	2.5	4.5
120	115	Allen W.G.	120	+	3.0	5.0

CHEMICALS, PLASTICS—Cont.

1978-79 High	1978-79 Low	Stock	Price	±	%	Div. Yield
100	95	Ellis & Everard	100	+	1.0	3.0
105	100	Ellis & Everard	105	+	1.5	3.5
110	105	Ellis & Everard	110	+	2.0	4.0
115	110	Ellis & Everard	115	+	2.5	4.5
120	115	Ellis & Everard	120	+	3.0	5.0

BANKS & HP—Continued

1978-79 High	1978-79 Low	Stock	Price	±	%	Div. Yield
100	95	Bank of India	100	+	1.0	3.0
105	100	Bank of India	105	+	1.5	3.5
110	105	Bank of India	110	+	2.0	4.0
115	110	Bank of India	115	+	2.5	4.5
120	115	Bank of India	120	+	3.0	5.0

BONDS & RAILS—Cont.

1978-79 High	1978-79 Low	Stock	Price	±	%	Div. Yield
100	95	British Govt	100	+	1.0	3.0
105	100	British Govt	105	+	1.5	3.5
110	105	British Govt	110	+	2.0	4.0
115	110	British Govt	115	+	2.5	4.5
120	115	British Govt	120	+	3.0	5.0

BRITISH FUNDS

1978-79 High	1978-79 Low	Stock	Price	±	%	Div. Yield
100	95	British Funds	100	+	1.0	3.0
105	100	British Funds	105	+	1.5	3.5
110	105	British Funds	110	+	2.0	4.0
115	110	British Funds	115	+	2.5	4.5
120	115	British Funds	120	+	3.0	5.0

"Shorts" (Lives up to Five Years)

1978-79 High	1978-79 Low	Stock	Price	±	%	Div. Yield
100	95	Shorts	100	+	1.0	3.0
105	100	Shorts	105	+	1.5	3.5
110	105	Shorts	110	+	2.0	4.0
115	110	Shorts	115	+	2.5	4.5
120	115	Shorts	120	+	3.0	5.0

Five to Fifteen Years

1978-79 High	1978-79 Low	Stock	Price	±	%	Div. Yield
100	95	Five to Fifteen	100	+	1.0	3.0
105	100	Five to Fifteen	105	+	1.5	3.5
110	105	Five to Fifteen	110	+	2.0	4.0
115	110	Five to Fifteen	115	+	2.5	4.5
120	115	Five to Fifteen	120	+	3.0	5.0

Over Fifteen Years

1978-79 High	1978-79 Low	Stock	Price	±	%	Div. Yield
100	95	Over Fifteen	100	+	1.0	3.0
105	100	Over Fifteen	105	+	1.5	3.5
110	105	Over Fifteen	110	+	2.0	4.0
115	110	Over Fifteen	115	+	2.5	4.5
120	115	Over Fifteen	120	+	3.0	5.0

Undated

1978-79 High	1978-79 Low	Stock	Price	±	%	Div. Yield
100	95	Undated	100	+	1.0	3.0
105	100	Undated	105	+	1.5	3.5
110	105	Undated	110	+	2.0	4.0
115	110	Undated	115	+	2.5	4.5
120	115	Undated	120	+	3.0	5.0

INTERNATIONAL BANK

1978-79 High	1978-79 Low	Stock	Price	±	%	Div. Yield
100	95	International Bank	100	+	1.0	3.0
105	100	International Bank	105	+	1.5	3.5
110	105	International Bank	110	+	2.0	4.0
115	110	International Bank	115	+	2.5	4.5
120	115	International Bank	120	+	3.0	5.0

CORPORATION LOANS

1978-79 High	1978-79 Low	Stock	Price	±	%	Div. Yield
100	95	Corporation Loans	100	+	1.0	3.0
105	100	Corporation Loans	105	+	1.5	3.5
110	105	Corporation Loans	110	+	2.0	4.0
115	110	Corporation Loans	115	+	2.5	4.5
120	115	Corporation Loans	120	+	3.0	5.0

COMMONWEALTH & AFRICAN LOANS

1978-79 High	1978-79 Low	Stock	Price	±	%	Div. Yield
100	95	Commonwealth & African	100	+	1.0	3.0
105	100	Commonwealth & African	105	+	1.5	3.5
110	105	Commonwealth & African	110	+	2.0	4.0
115	110	Commonwealth & African	115	+	2.5	4.5
120	115	Commonwealth & African	120	+	3.0	5.0

LOANS

1978-79 High	1978-79 Low	Stock	Price	±	%	Div. Yield
100	95	Loans	100	+	1.0	3.0
105	100	Loans	105	+	1.5	3.5
110	105	Loans	110	+	2.0	4.0
115	110	Loans	115	+	2.5	4.5
120	115	Loans	120	+	3.0	5.0

FOREIGN BONDS & RAILS

1978-79 High	1978-79 Low	Stock	Price	±	%	Div. Yield
100	95	Foreign Bonds & Rails	100	+	1.0	3.0
105	100	Foreign Bonds & Rails	105	+	1.5	3.5
110	105	Foreign Bonds & Rails	110	+	2.0	4.0
115	110	Foreign Bonds & Rails	115	+	2.5	4.5
120	115	Foreign Bonds & Rails	120	+	3.0	5.0

AMERICANS

1978-79 High	1978-79 Low	Stock	Price	±	%	Div. Yield
100	95	Americans	100	+	1.0	3.0
105	100	Americans	105	+	1.5	3.5
110	105	Americans	110	+	2.0	4.0
115	110	Americans	115	+	2.5	4.5
120	115	Americans	120	+	3.0	5.0

CANADIANS

1978-79 High	1978-79 Low	Stock	Price	±	%	Div. Yield
100	95	Canadians	100	+	1.0	3.0
105	100	Canadians	105	+	1.5	3.5
110	105	Canadians	110	+	2.0	4.0
115	110	Canadians	115	+	2.5	4.5
120	115	Canadians	120	+	3.0	5.0

BANKS AND HIRE PURCHASE

1978-79 High	1978-79 Low	Stock	Price	±	%	Div. Yield
100	95	Banks and Hire Purchase	100	+	1.0	3.0
105	100	Banks and Hire Purchase	105	+	1.5	3.5
110	105	Banks and Hire Purchase	110	+	2.0	4.0
115	110	Banks and Hire Purchase	115	+	2.5	4.5
120	115	Banks and Hire Purchase	120	+	3.0	5.0

BEERS, WINES AND SPIRITS

1978-79 High	1978-79 Low	Stock	Price	±	%	Div. Yield
100	95	Beers, Wines and Spirits	100	+	1.0	3.0
105	100	Beers, Wines and Spirits	105	+	1.5	3.5
110	105	Beers, Wines and Spirits	110	+	2.0	4.0
115	110	Beers, Wines and Spirits	115	+	2.5	4.5
120	115	Beers, Wines and Spirits	120	+	3.0	5.0

BUILDING INDUSTRY, TIMBER AND ROADS

1978-79 High	1978-79 Low	Stock	Price	±	%	Div. Yield
100	95	Building Industry, Timber and Roads	100	+	1.0	3.0
105	100	Building Industry, Timber and Roads	105	+	1.5	3.5
110	105	Building Industry, Timber and Roads	110	+	2.0	4.0
115	110	Building Industry, Timber and Roads	115	+	2.5	4.5
120	115	Building Industry, Timber and Roads	120	+	3.0	5.0

HIRE PURCHASE, ETC.

1978-79 High	1978-79 Low	Stock	Price	±	%	Div. Yield
100	95	Hire Purchase, etc.	100	+	1.0	3.0
105	100	Hire Purchase, etc.	105	+	1.5	3.5
110	105	Hire Purchase, etc.	110	+	2.0	4.0
115	110	Hire Purchase, etc.	115	+	2.5	4.5
120	115	Hire Purchase, etc.	120	+	3.0	5.0

DRAPERY AND STORES

1978-79 High	1978-79 Low	Stock	Price	±	%	Div. Yield
100	95	Drapery and Stores	100	+	1.0	3.0
105	100	Drapery and Stores	105	+	1.5	3.5
110	105	Drapery and Stores	110	+	2.0	4.0
115	110	Drapery and Stores	115	+	2.5	4.5
120	115	Drapery and Stores	120	+	3.0	5.0

HOTELS AND CATERERS

1978-79 High	1978-79 Low	Stock	Price	±	%	Div. Yield
100	95	Hotels and Caterers	100	+	1.0	3.0
105	100	Hotels and Caterers	105	+	1.5	3.5
110	105	Hotels and Caterers	110	+	2.0	4.0
115	110	Hotels and Caterers	115	+	2.5	4.5
120	115	Hotels and Caterers	120	+	3.0	5.0

INDUSTRIALS (Misc.)

1978-79 High	1978-79 Low	Stock	Price	±	%	Div. Yield
100	95	Industrials (Misc.)	100	+	1.0	3.0
105	100	Industrials (Misc.)	105	+	1.5	3.5
110	105	Industrials (Misc.)	110	+	2.0	4.0
115	110	Industrials (Misc.)	115	+	2.5	4.5
120	115	Industrials (Misc.)	120	+	3.0	5.0

ELECTRICAL AND RADIO

1978-79 High	1978-79 Low	Stock	Price	±	%	Div. Yield
100	95	Electrical and Radio	100	+	1.0	3.0
105	100	Electrical and Radio	105	+	1.5	3.5
110	105	Electrical and Radio	110	+	2.0	4.0
115	110	Electrical and Radio	115	+	2.5	4.5
120	115	Electrical and Radio	120	+	3.0	5.0

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Cruising means



MEN OF THE WEEK

Limelight replaces anonymity

BY PHILIP BASSETT

ANONYMITY AND the Civil Service have long gone hand-in-hand. The carefully-planned campaign of strikes at key Government computer centres and the wave of walkouts this week over the suspension of a number of clerical staff, though, have firmly taken unions traditionally seen as lacking in muscle into the public sector pay spotlight.

Mr. Ken Thomas and Mr. Gerry Gillman, respectively general secretaries of the Civil and Public Services Association and the Society of Civil and Public Servants, have seen their unions emerge from relative anonymity to become the first embarrassing threat to the validity of the TUC-Government Concordat.

The two unions and the two leaders have worked carefully together both during the strikes and in the months leading up to them, planning the action which was forecast as far back as this time last year.

In many respects the two unions are similar. They repre-



Barry Gillman (left) and Ken Thomas

sent in the main neighbouring civil service grades: the CPSA about 190,000 civil service clerical assistants and clerical officers, and the Society about 60,000 executive officers, their immediate bosses.

Both unions have dynamic thrusting second-in-command: Mr. Alistair Graham, who as deputy general secretary of the CPSA is one of the major architects of the strike campaign and is far out in front of the contenders for the top job in three years' time, and the Christie brothers, Campbell as deputy and Leslie as assistant general secretaries in the Society.

The Society has moved from being an apolitical body to full affiliation to the TUC in 1973. The political divisions in the CPSA have deepened into often bitter infighting between Left and Right factions to the extent where last year the CPSA swung massively to the Left in elections at its conference in May. Mr. Thomas, an extrovert, eloquent Welshman, has the delicate job of stitching the two volatile sides together. The balancing act, usually performed by taking his own line, is made more difficult by the present strike action, which has been designed not to affect Department of Employment or Social Security offices, often militant strongholds.

Tightrope walkers continually face the prospect of coming a cropper, though, which is how the Left regard his signing of both the TUC moderates charter A Better Way and a General Council member—the Concordat. Censure motions at a CPSA conference are the norm rather than the exception, but in May Mr. Thomas faces a CPSA record of 44.

Mr. Gillman, at 51 just three months younger than Mr. Thomas, has much more of the traditional Civil Service reserve. He first joined a union as a Bevin job doing his National Service in a pit in the Tredegar Valley, as a member of the National Union of Mineworkers.

He and Mr. Thomas first met when being interviewed for an assistant secretary ship with the Society in 1952. Both rather cautiously wished each other luck, though Mr. Gillman got the job to move through the ranks to become general secretary in 1978. Mr. Thomas won a similar job with the CPSA three months later to take the top job in 1978.

Both leaders will be keen to capitalise on the publicity for both unions stemming from their present action. Having your members branded as "shock troops" in the Commons and forcing the Government to bring in emergency legislation to counter your strike action is in many ways the way to shake off anonymity once and for all.

IRA 'threat to more British ambassadors'

BY OUR FOREIGN STAFF

THE IRA are threatening a campaign against the British ambassadors in Brussels, Paris and Bonn, according to a telephone call to an Amsterdam evening newspaper yesterday, a day after the murder of Sir Richard Sykes, Britain's ambassador to The Hague.

The caller, reported to have a strong Irish accent, said that the shooting of Sir Richard and his Dutch servant was the work of the IRA.

At the same time, a second caller yesterday afternoon told the Dutch police and Holland's ANP news agency that the killings had been carried out at the request of the IRA by a hitherto unknown terrorist group claiming to be the "Dutch nucleus" of the Red Army Brigade.

Two Dutch police officers arrived in Brussels yesterday to investigate the possibility of links between Sir Richard's murder and the shooting in Brussels on Thursday evening of a Belgian banker, M. Andre Michaux.

M. Michaux was shot by two

gunmen outside his home, which is near that of a senior British diplomat attached to the UK NATO delegation in Brussels.

Dutch police chiefs directing the hunt for the two men who shot Sir Richard are said to be taking the threat of a Provisional IRA murder campaign against British diplomats in Belgium, France and West Germany "very seriously."

However, the Foreign Office in London was last night plying down fears that the IRA was mounting its first ever European terrorist operation.

The caller to the Amsterdam evening newspaper claimed to be a spokesman for the IRA and said that the lives of the British Ambassadors in Brussels, Paris, and Bonn, were in danger. "This is a last warning. There will be an attack on the British Ambassador in Belgium. This is only a beginning."

Although the Dutch police are understood to be unconvinced of the authenticity of either claim for responsibility,

diplomats in The Hague are stressing that, in the absence of positive evidence, all available indications point to the Provisional IRA.

Both the Belgian and Dutch police are considering suggestions of mistaken identity in the shooting of M. Michaux as he stepped from his car outside his Brussels home. He was a neighbour of Mr. Paul Holmer, the deputy British ambassador to NATO.

British officials in Brussels were yesterday reluctant to discuss the possibility of any link between the killing there and the murder of Sir Richard.

The most senior British diplomats were later unofficially reported to be getting escorts and Belgian police were seen outside their homes.

In Holland, the police federation said yesterday that the question of providing special protection for diplomatic buildings in The Hague has been a source of friction with the Interior Ministry for some years.

Paris steel march clash

BY DAVID WHITE IN PARIS

RIOT POLICE clashed with youths, some of whom erected barricades, in the aftermath of a mass march on Paris yesterday protesting against steel industry redundancies. Tear gas was used. Thirty people were hurt including several policemen.

Workers from the steelmaking province joined a demonstration involving 70,000 people, organised by the Communist-led CGT union. It was one of the biggest in Paris in recent years.

Violence and vandalism by fringe groups broke out at the end of a march in central Paris. Steelworkers and sympathisers

bad gathered in the morning at five meeting-points in the Communist-administered "red belt" of suburban Paris.

Witnesses said the first incidents were provoked by 50-100 young people apparently unconnected with the march. In scenes reminiscent of the 1978 student riots, they broke shop windows and huilt barricades.

In front of the Paris Opera House, the destination of the march, police charged down demonstrators trying to construct a barrier.

On the boulevards, cafe windows were smashed, tables and

chairs hauled on to the streets and cars overturned, although union stewards struggled to prevent provocation.

The march, led by M. Georges Seguy, CGT Secretary-General, was instructed to break up as soon as it arrived at the opera, but protestors remained along the whole route.

The demonstration was to put pressure on the Government in talks that unions have demanded to discuss steel industry cutbacks. The Government plans to reduce the industry's workforce by more than 21,000 over the next two years.

Airways fares rise rejected

BY LYNTON McLAIN

BRITISH AIRWAYS' plans to raise fares on domestic trunk routes were rejected by the Civil Aviation Authority yesterday, and the airline was urged to raise efficiency and the quality of its services instead.

The authority has never before refused applications for rises in fares on heavily-used domestic routes. The decision brought a swift and angry reaction from Sir Frank McArdzee, the airline's chairman. "The Authority bids fair to becoming like the Price Commission, long on bestitudes and short on the reality."

"The Civil Aviation Authority has insufficient evidence to be able to indulge in the luxury of such interperate generalisations about the airline."

The airline planned to raise productivity by almost 40 per cent in the next five years, he said, but it was unrealistic for the authority to suggest that the airline, against a background of inflation, could generate the profits needed to meet the financial targets set by the Government from a rise in productivity.

Domestic air fares, British Airways	Present fare	Single (£)	From April 1
London to:			
Belfast, Glasgow, Edinburgh	35	no change	
Birmingham	18	19	
Newcastle	27.70	30	
Leeds/Bradford	22.50	22	
Inverness	31.10	33.50	
Belfast to Newcastle	25.80	27.50	
London to Aberdeen	39.90	no change	
Aberdeen to Shetlands	30.70	no change	
London to Manchester	24.30	no change	
Manchester to Aberdeen	40.60	no change	

Mr. John Smith, the Trade Secretary, has set British Airways a financial objective, expressed as a return on net assets, of 6 per cent in real terms.

The move marks a hardening of official CAA policy to concentrate attention on airline efficiency and the absolute level of operating costs.

British Airways wanted to raise fares by an average of 7.5 per cent on 21 routes, including the London air shuttle route to Belfast, Edinburgh and Glasgow. Increases were allowed by the Authority on only nine routes, and on three of these

British Airways was granted only half the proposed rise.

The authority said there were "shameful and wholly unacceptable" inefficiencies on the British Airways route between London and Belfast.

The airline's flight deck and cabin crews refused to spend the night in Belfast. This resulted in impairment of the service and imposition of "totally unnecessary" costs on British Airways passengers generally.

British Airways is expected to appeal to the Trade Secretary to have the rejection over-ruled. Logan Air purchases, Page 4

Continued from Page 1 Rees

have that election now. Then we can treat these vital matters, and many others which are so important to us all, with the consideration they merit, with a new Parliament, a fresh mandate from the people, a new Government and a long lease of life ahead."

Before Mrs. Thatcher's broadcast, a reply to the Premier's devolution statement on Thursday, Mr. Foot had confirmed to the Commons that the centenary debate would be next Wednesday, with the critical division at 10 pm.

Meanwhile there were signs at all party headquarters that decks were being cleared on the assumption that there would be a campaign next month leading to a possible election on May 10.

While there was no specific change to the likely voting pattern yesterday there were more pointers of probable Ulster Unionist support for the Conservatives.

The seven Unionist MPs will meet at Westminster on Monday. There will be a Unionist Council meeting in Belfast on Tuesday, when further pressure for a vote in favour of the centenary motion will be exerted.

Train drivers win 5%

BY PHILIP BASSETT, LABOUR STAFF

AN INDEPENDENT tribunal has agreed that members of the train drivers union ASLEF should be given rises of 5 per cent for increased responsibility.

The award, by the Railway Staff National Tribunal, was seen by ASLEF officials as a vindication of the four one-day national strikes called in January and a series of unofficial one-day strikes on British Rail's Southern Region in support of a call for special responsibility increases of 10 per cent.

Mr. Ray Buckton, general secretary, welcomed the decision. He said it established a principle that payment for responsibility should be made to all drivers, rather than just the drivers of high speed trains, who were awarded increases of 25 per cent by the tribunal last year.

Whether the recommendations solve the long-running

dispute over the ASLEF claim for separate payments for drivers may depend on the National Union of Railwaysmen, which has warned that it will claim parity with any increases awarded.

The tribunal, chaired by Lord McCarthy, lecturer in industrial relations at Nuffield College, Oxford, decided:

● All drivers except those on shunting work, should receive increases of 5 per cent on basic pay, which is 68p per shift or £3.14 for a five-shift week;

● High speed train drivers will receive increases of 25 per cent, or £3.14 a turn, though if all the unions agree this could instead be spread among all drivers to give a higher award than the 5 per cent;

● There is scope for further rises for all railway workers, through an overall productivity scheme.

Continued from Page 1 U.S. cost of living

Mr. Kahn agreed that the recent rate of inflation, combined with the surge in corporate profits, meant that organised labour was being asked to engage in "a genuine act of restraint" in its wage bargaining.

But, with characteristic directness, he refused to forecast immediate relief from double figure inflation. "The public has got to learn and realise," he said, "that anyone who predicts

with conviction or certainty is either a fool or a charlatan—and the country is not well served by being led by fools or charlatans."

The current programme must be given time, at least, he said, another three to four months, to see if it would work.

He said that the Administration was opposed to mandatory wage and price controls and that he would not preside over such a regime.

Judges say Jim Slater broke law

BY JAMES BARTHOLOMEW

THREE High Court judges yesterday ruled that Mr. Jim Slater, former chairman of Slater Walker Securities, was guilty of breaching the Companies Act in 1978-79.

The Queen's Bench Division overturned the decision of the City of London Magistrates' Court in 1977. The magistrates' court will now be directed to convict and sentence Mr. Slater.

But Mr. Slater may ask for leave to appeal to the Lords on what his counsel, Mr. John Mathew QC, considers a legal principle of public interest.

Mr. Slater's offence was to direct Bion Securities, a company under his control, to borrow more than £4m from the banking arm of Slater Walker Securities for the express purpose of buying shares in Slater Walker Securities.

Lord Widgery, the Lord Justice of Appeal, said that the principle of public interest was not in issue. Slater's offence was to direct Bion Securities, a company under his control, to borrow more than £4m from the banking arm of Slater Walker Securities for the express purpose of buying shares in Slater Walker Securities.

The magistrates' court had cleared Mr. Slater in 1977 on the grounds that the loans made by Slater Walker Securities came within a proviso to the section. The proviso exempts loans made in the ordinary course of a company's business.

But the High Court accepted the contention of the Department of Trade, which brought the action, that a loan made for the deliberate purpose of buying shares in the lending company could never be in the ordinary course of a company's business.

The proviso was intended only to protect moneylenders from an unintentional breach of the law, according to the three judges.

Mr. Slater and his advisers will consider the judgment before deciding whether to seek leave to appeal. But Lord Widgery said that he was not inclined to give leave where the law, based on the case of Steen and Law, 1963, was so clear and authoritative.

The maximum fine which Mr. Slater could face is £1,500—£100 for each count. But Lord Widgery commented that the offence was not of the most serious kind which could occur under the section, and doubtless the sentence of the magistrates' court would reflect this.

Weather

UK TODAY RAIN spreading from W, some wintry on hills in N. London, E, S.E., Cent. N. Eng.

Sunny spells, perhaps rain in evening. Max. 10C (50F). Cent. S. England, W. Midlands, N. Wales

Bright first, rain later. Max. 8C (46F). S.W. England, Channel Isles, S. Wales

Rain or sleet spreading from W. Max. 9C (48F). N.W. England, Isle of Man, S.W. Scotland, Cent. Highlands

Sunny, then rain, with snow on hills. Max. 7C (35F). N.E. England, E. Scotland

Partly rain or sleet later. Max. 9C (48F). N. Scotland, N. Ireland

Outbreaks of rain or sleet, snow on hills. Max. 7C (45F). Orkney, Shetland

Occasional rain or sleet. Max. 5C (41F). Outlook: Becoming colder, with night frosts.

WORLDWIDE

City	V. day	W. day	City	V. day	W. day
Ajaccio	15	15	Lisbon	15	15
Algiers	15	15	Locarno	11	11
Amsterdam	15	15	London	8	8
Athens	21	21	Luzern	5	5
Bahia	43	108	Madrid	12	12
Bangkok	28	83	Melbourne	12	12
Beirut	19	65	Mexico	20	20
Bombay	4	39	Miami	17	17
Buenos Aires	17	43	Manila	17	17
Cairo	18	43	Montevideo	17	17
Calcutta	18	43	Moscow	3	3
Canton	18	43	Munich	3	3
Cebu	18	43	Nairobi	3	3
Colon	18	43	Norwich	15	15
Hankow	18	43	Osaka	15	15
Hong Kong	18	43	Paris	15	15
Kobe	18	43	Rangoon	15	15
London	8	8	Rio de Janeiro	15	15
Lyons	15	15	Sao Paulo	15	15
Manila	17	17	Singapore	15	15
Medan	17	17	Stockholm	15	15
Metz	15	15	Taipei	15	15
Montevideo	17	17	Tokyo	15	15
Moscow	3	3	Toronto	15	15
Munich	3	3	Washington	15	15
Nairobi	3	3	Zurich	15	15
Norwich	15	15			
Osaka	15	15			
Paris	15	15			
Rangoon	15	15			
Rio de Janeiro	15	15			
Sao Paulo	15	15			
Singapore	15	15			
Stockholm	15	15			
Taipei	15	15			
Tokyo	15	15			
Toronto	15	15			
Washington	15	15			
Zurich	15	15			

THE LEX COLUMN

A 20-point swing to the right

Index rose 20.0 to 534.6

Judging by the euphoric reaction of share prices yesterday, next week's no confidence vote in the Government would seem to be a mere formality. The Conservatives, plus highly assorted camp followers, will defeat the Government and a tough new Conservative administration will be installed before the summer. That, at least, is how the City seemed to be interpreting political events last night.

It is only three weeks since the indecisive results of the Scottish referendum were announced but sentiment in the equity market has been transformed since then. The worrying stream of news from the heartland of British industry has been conveniently forgotten and all that seems to matter now for investors is the promise of a Conservative Government. Since the referendum the FT Industrial Ordinary share index has put on close to 60 points and the FT All-Share has risen by 11.3 per cent. Yesterday, the latter closed at an all time high—38 per cent above its 1978-79 low point.

Notwithstanding the very disappointing money supply figures on Thursday the City's new found enthusiasm for a Conservative victory also proved to be just the tonic for a nervous gilt-edged market. The new Government stock Exchange 12 1/2 per cent 1990, ended its first day at a 2 1/2 premium.

The way the City sees it, through hazy tinted spectacles, is that the Conservatives—especially if they have a comfortable majority—will do all sorts of nice things. They would almost certainly scrap dividend restraint enabling companies such as Shell, Unilever and GEC to boost their payout. They would also attempt to cut government spending and trim the public sector borrowing requirements. Incidentally they might also start to dismantle exchange controls, but this would not be good news for the stock market.

However, no government whatever its colour can spirit away overnight the current problems of buoyant monetary growth, the squeeze on profits and excessive wage claims. It

will take time to solve these, and investors could find that by the time the election takes place the current euphoria will have evaporated and the stock market will be taking a closer look at the uninspiring underlying fundamentals once again. Better to travel hopefully than to arrive, they say. But watch the signs for any change in direction.

GEC/Averys

Four months after GEC first proposed takeover talks the Board of Averys is still fuming. An offer has never materialised, GEC is still refusing to say whether it intends to make one, and meanwhile executive time is being taken up with a lengthy Monopolies Commission investigation. Averys has been given a deadline of the end of next week to provide the answers to a second set of questions from the Commission. The group finds it hard to plan the development of its business, for potential trading partners and customers are wary, and there is a need to make sure that the immediate profits trends look good, possibly at the expense of the longer term.

But although it may be uncomfortable for Averys to be faced with the possibility of an unwanted bid, such approaches are facts of business life, and the real question is whether GEC has played entirely fair. Averys is particularly upset that when it rejected GEC's approach early in January GEC failed either to announce a formal offer or to say that it had abandoned the idea.

What is particularly confusing is that whereas the Takeover Panel decided there was no longer a bid situation, the Treasury and the Office of Fair Trading thought otherwise. Averys was allowed to raise its dividend, and the Monopolies Commission was called in to investigate the "proposed acquisition of Averys by GEC." Yet there was still no such official proposal by GEC.

In fact GEC has not broken any rules, written or unwritten. The only question is whether it might have been tactically preferable to make a formal offer at some stage—either at the very beginning or in January—some of the frustration and hostility now evident at Averys. Yet the course of events would not actually have been greatly affected, any such offer would have had to be suspended anyway during the Monopolies probe.

Averys may get a little satisfaction from the knowledge that GEC, too, is having to answer the Commission's questions. And GEC is clearly still interested in making a bid, although cases as ever. "The thing will take its course," said Sir Kenneth Bond yesterday, "and when we think there is something to say we shall say it."

Guthrie

The Takeover Panel will be policing the market in Guthrie shares on Monday and Tuesday to ensure that the cliffhanger bid from Sir David comes to an orderly end. Sir David will probably have to find about 8 per cent of Guthrie's capital by 2.30 on Tuesday, and buy it in a single lot.

The Panel is likely to forbid the jobbers—or anyone else—to go short in Guthrie shares and sell to Sir David where they do not possess. While Sir David has been unable to buy in the market this week, pending its own shareholders' approval of the bid, the Guthrie supporters have been busy. Mr. G. (for its unit holders) and Baring (in its own account) have been steadily amassing shares and keeping the Guthrie price up. Baring bought another 75,000 yesterday, to take its holding over 300,000—loyalty almost beyond the call of duty.

At 5.55p last night, Guthrie shares are not quite high enough for safety, as Sir David is allowed to buy in the market not at 5.23p, the level of its "final cash offer," but at 5.82p, as the shares are deemed to be on the 15p of dividend promised by Sir David.

The Thomson Family Offer

The Directors of Hudson's Bay Company, in a Directors' circular dated March 23, 1979, are recommending that any investor who is prepared to recognise the prospects of the Company and what it is capable of achieving over the next few years should not accept the offer of Can.\$31.00 cash per share for 51 per cent. control of the Company.

The principal reasons for the recommendation are:

1. The offering price of Can.\$31 per share is substantially below the Board's assessment of the value of the shares, bearing in mind the earnings potential of the Company and the underlying net asset value.
2. The outlook has dramatically changed with the purchase in 1978 of Simpsons Limited and Zellers Limited. Furthermore, the real benefits arising from the fundamental changes which have taken place during the 1970's are now coming to fruition. Shareholders are now invested in a major store group which covers the whole of Canada.
3. The Board's projections for the next five years disclosed in the Directors circular indicate a significant improvement in the Company's growth potential.

Any Shareholders who are considering accepting the offer are urged to examine the effect on their individual tax position. The Board, in their letter, indicate that all Directors and officers, with one exception, intend to retain their shareholdings and consequently, will not tender any ordinary shares of the Company beneficially owned by them.

In case there are delays, for either postal or other reasons, in the receipt of the Board's letter, additional copies are available at—

- Hudson's Bay Company
- Beaver House,
- Great Trinity Lane,
- London EC4V 2AX
- Kleinwort, Benson Limited,
- 20 Fenchurch Street,
- London EC3P 3DB

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